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Weekend

FINANCIAL TIMES

Weekend FT To ban or not to ban

Fighting the wheelbarrow

Heritage to Sicily's temples

SECTION II

WEEKEND AUGUST 3/AUGUST 4 1996

German banker seeks financial curbs on London

The financial centres of Frankfurt and Paris would be at an unfair disadvantage to London in a future European monetary union if UK and other non-member banks had access to the euro payments system on the same terms as Euro members...

Israel plans settlements growth: Israel's hardline government took a first step towards expanding Jewish settlements in the West Bank and Gaza Strip...

South Korea offers to ease financial rules: South Korea offered more concessions on liberalising its financial market in its effort to join the Organisation for Economic Co-operation and Development...

Scania profits slip: Swedish truckmaker Scania said growth of new registrations was slowing in western Europe market, although its market share increased in the first half...

Warlord Aided dies: Somali faction leader Mohamed Farah Aided, whose militia humbled the US army, died from wounds after clan fighting...

London follows strong Wall Street opening: The UK stock market was transformed for the third consecutive day by a strong opening on Wall Street...



Yeltsin 'bored': Russian president Boris Yeltsin is suffering from 'colossal tiredness' following his gruelling re-election campaign...

Arjo warns of difficult trading: Analysts cut profits forecasts for Anglo-French paper group Arjo Wiggins Appleton after the company warned of difficult trading conditions in Europe...

Egypt and IMF reach settlement: Egypt and the International Monetary Fund have agreed in principle on an economic policy reform package...

Stock Exchange change backed: The London Stock Exchange claimed rising support for a proposed move to electronic trading for shares of the largest UK companies...

Teenager charged in Singapore: David Raven, 18, who was in Singapore on a rugby tour with his British school, has been charged with stealing a handbag...

Er-SG captain reinstated: Former SS captain Erich Priebke, 85, was reinstated hours after a Rome war crimes court ruled he could not be punished because of a statute of limitation...

De Gaulle's first PM dies: Michel Debré, France's first prime minister under President Charles de Gaulle in 1958 and the man who drafted the constitution for France's Fifth Republic, died aged 84...

FT.com the FT web site provides online news, comment and analysis at http://www.ft.com

Companies in this issue

Table listing companies and their page numbers: Alliance & Leicester, Arjo Wiggins, Arsenal FC, Orient Lines, Asahi Breweries, Burford, OCI, Cardcast, Coverdale, Farel, Hestons & Crox, Helical Retail, Hewlett, ICI, International Tool, Jacques Vert.

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Low US jobs growth boosts markets

Shares and bonds rally after fears of Fed interest rate rise recede

By Michael Proulx in Washington and Philip Coggan in London

Shares and bond prices in the US and Europe rose sharply yesterday as subdued US employment growth reduced fears that the Federal Reserve would raise interest rates later this month...

mark Treasury long bond was up 14, pushing the yield down to 6.75, the lowest since the end of May...

European bond and equity markets, which had been nervous ahead of the payroll data, rallied along with Wall Street in London...

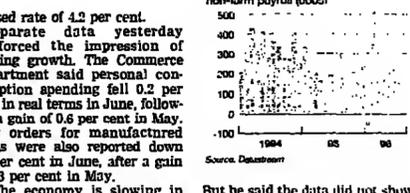
Other indicators of inflation were also subdued. The Economic Cycle Research Institute in New York said its leading index of inflation fell a full point last month...

The employment increase fell well short of an average monthly gain of 273,000 in the second quarter, suggesting an easing of growth...

Analysts were encouraged by a reported fall in average hourly earnings, suggesting an easing of inflationary pressures in labour markets...

Separate data yesterday reinforced the impression of slowing growth. The Commerce Department said personal consumption spending fell 0.2 per cent in real terms in June...

Mr John Lipsky, chief economist at Salomon Brothers in New York, said the odds no longer favoured a tightening in August.



But he said the data did not show growth has slowed significantly. 'Job gains remain substantial,' he said.

Microchip pact agreed by Tokyo and Washington

By Nancy Dunne in Washington and Michio Nakamoto in Tokyo

The US and Japan yesterday reached agreement on monitoring trade in semiconductors by establishing two new international industry bodies...

The agreement came after complaints from the European Union at its exclusion from previous bilateral chip pacts...

After a marathon negotiating session in Vancouver, Japan also agreed at Washington's insistence to a bilateral private sector council...

Last night EU officials said they were very disappointed that the new US-Japan agreement was only partially open to EU participation...

Sony and Philips plan marks rift over digital video discs

By Alice Rawsthorn

Sony and Philips yesterday broke ranks with the rest of the consumer electronics industry by announcing plans to start licensing patents for the new generation of digital video disc systems...

and to clinch a copyright protection agreement with the computing industry and the Hollywood film studios...

division and project leader for DVD, said the two companies were concerned about the slow progress of the negotiations...

The rift marks another setback in the ill-starred launch of the digital video disc (DVD), which can be used for playing films or storing data...

Mr Jan Oosterveld, managing director of Philips Key Models

in collaboration with the rest of the industry and would be willing to participate in joint licensing.

STOCK MARKET INDICES

Table of stock market indices: FT-SE 100, FT-SE Eurotrack 100, FT-SE-A All-Share, Nikkei, Dow Jones Ind Ave, S&P Composite, US LUNCHTIME RATES, 3-m Treas Bill, Long Bond, Yield, NORTH SEA OIL, Brent Dated, GOLD, New York Comex Dec, LONDON MONEY, 3-m Interbank, Life long gilt, US LUNCHTIME RATES, New York lunchtime, London, STERLING, New York lunchtime, London, DOLLAR, New York lunchtime, London.

CONTENTS

Table of contents: News, International News, UK News, Weather, Lon, Features, Lender Page, Letters, Man in the News, Companies, UK/ET, FT-SE Activist, FT/SE-A Mid Index, Foreign Exchanges, Gold Markets, London SE, LSE Dealings, Markets, Money Markets, Recent Issues, Share Information, World Commodities, Wall Street, Business, Weekend FT, Section 2.

Madrid refuses to come clean on dirty war

By Tom Burns in Madrid

Spain's centre-right government yesterday drew a veil over the "dirty war" against the Basque terrorist organisation Eta that had plagued the previous Socialist administration of Mr Felipe González.

In its last meeting before the summer break, the cabinet of the prime minister, Mr José María Aznar, cited national security interests in refusing to declassify secret service documents.

These had been requested by judges investigating the self-styled anti-terrorist liberation groups (Gali), which claimed responsibility for 27

deaths between 1983 and 1987 in south-west France, a safe haven at the time for Eta members.

The ruling, which came after heated cabinet discussions, is the most awkward and controversial one taken by the Aznar government since it took office three months ago. It represents a policy U-turn by the Popular party, which had criticised the Socialists for withholding information from the judges when it was in opposition.

The decision not to release the documents raises sizeable obstacles in the path of legal probes against senior members of the interior ministry appointed by Mr González as well as

high-ranking officers of the security services.

Judges investigating Gali are understood to possess documents - several of which have been leaked to the press - pointing to government involvement in the Gali death squads.

The documents were allegedly written by the Cesid, Spain's intelligence service, but they cannot be used as evidence in court unless their authenticity is corroborated by examining Cesid's official files.

The documents that the judges are working with are believed to have been obtained from Colonel Juan Albero Perote, a former high-ranking Cesid officer who is being held in

custody on charges of stealing classified information from the intelligence service.

According to press reports, some of the documents implicate Mr González in the scandal.

The cover-up controversy was further fuelled by a court decision yesterday to release General Enrique Rodríguez Galindo, a highly-decorated former commander of the main paramilitary civil guards barracks in the Basque country, who was remained in custody in May pending an investigation into the kidnap, torture and death of two Eta suspects in 1983.

Gen Galindo was released without

ball but was ordered to report to the judicial authorities every week. The court ordered the continued custody of three civil guardsmen who served under Gen Galindo and are linked to the same investigation.

The Popular party government's stand was criticised by moderate Basque nationalists who fear that an official cover-up of the Gali death squads will encourage Eta's platform of separatist violence.

Mr Iñaki Anasagasti, parliamentary spokesman for the moderate Basque Nationalist party, said yesterday's developments damaged the state of law because they suggested that there was "a good and a bad terrorism".

INTERNATIONAL NEWS DIGEST

Paris outlines Thomson sale

The French government yesterday confirmed that Thomson, the defence and consumer electronics group, would be privatised by a direct sale to trade buyers rather than be floated on the Paris bourse. Under the terms of the sale, which is due to be completed before the end of the year, the government will retain a "golden share" in the group, giving it the right to block the sale of any assets, including the defence subsidiary Thomson-CSF.

The government will also have a non-voting representative on the board, and will have to give approval of any shareholder which takes more than 10 per cent of the capital or voting rights.

The ministry of economics and finance said the sale would give Thomson "strategic and financial" room to manoeuvre and ensure its development. It named Mr Bernard Ducumin, a member of the Conseil d'Etat, as an independent supervisor of the sale, which will also be scrutinised by the state privatisation commission. French telecoms company Alcatel and the Lagardère group, the defence to media conglomerate, are the leading contenders to acquire Thomson.

André Jack, Paris, and Bernard Gray, London

Mandela dragged into row

President Nelson Mandela was yesterday dragged into a row within South Africa's ruling African National Congress over allegations that the party accepted money for not pressing charges against a leading businessman, Mr Bantu Holomisa, sacked as a deputy minister from the government last week, alleged Mr Mandela told him that Mr Sol Kerzner, chairman and chief executive of Sun International, had agreed to give the ANC a R2m (\$444,000) donation before the 1994 general election.

Mr Mandela is alleged to have then told Mr Holomisa that, in return, Mr Kerzner hoped the ANC "could assist" with investigations against him for bribery.

Mr Holomisa, a former military ruler of the Transkei homeland, told the South African Press Association that he had no choice but to reveal this "privileged information" because the ANC had branded him a liar for earlier allegations he had made against senior members of the party. A spokesman for Mr Mandela yesterday rejected the accusation and Mr Kerzner said the claims "were outrageously false and not worthy of comment".

Roger Matthews, Johannesburg

The South African rand steadied against the dollar yesterday after Mr Chris Stals, governor of the Reserve Bank, said international facilities amounting to R15bn (\$3bn) could be available to assist in the currency's defence. Roger Matthews

Support fund for Thai market

Thai brokers will inject as much as Bt21bn (\$511m) into the country's stock market from next week through a special market support fund announced yesterday. Stock exchange members will contribute Bt10bn to the fund, the Thai Bankers Association will provide Bt5bn, sub-brokers will give Bt1bn and Bt5bn will be used from a previous support fund set up during the Mexican peso crisis.

Thai financial authorities had resisted the establishment of such a fund, saying it went against the long-term development of the Thai capital market. But unlike previous funds, such as one set up after a disgruntled investor shot himself in front of the exchange last November, the new fund is entirely private-sector initiative.

Ted Bardack, Bangkok

Washington in legislative flurry

The US Congress yesterday moved toward final passage of legislation raising the minimum wage and mandating expanded health insurance coverage, in a last-minute burst of activity designed to counter the charge that this has been a "do nothing" Congress.

The House was expected to finish its business by late last night, and the Senate by today, to permit lawmakers to return to their districts and campaign for what will be a hard-fought legislative race in November. The Republicans risk losing their House majority in the election.

The House yesterday passed an increase in the minimum wage from \$4.25 to \$4.15 an hour, along with \$31bn in tax breaks, mostly for business. Passage of the bill is seen as a triumph for Democrats, who championed it.

The Senate was also expected to act yesterday on a bill to guarantee workers access to health insurance when they change jobs, even if they have pre-existing medical conditions. It was passed by the House on Thursday. Lawmakers also passed the welfare reform bill, which will now go to President Bill Clinton for his signature. On Thursday the House passed a Republican-sponsored measure to make English the official language of the federal government.

Meanwhile, the House last night moved toward a vote on a stripped down anti-terrorism bill, which excludes White House proposals for more wiretapping. It is unlikely the Senate will pass it before the recess.

Paul Waldmeir, Washington

Debré, former French PM, dies

Michel Debré, the former French premier who died yesterday aged 84, was one of the country's most influential post-war politicians. Born in 1912, the son of a doctor, he trained as a lawyer before fighting in the Resistance.

He met General de Gaulle while representing the state in Angers at the time of the liberation, and went on to serve him as minister of justice in 1958 before becoming prime minister in 1958-62, and then later in the 1960s minister of economics and finance and foreign minister.

Debré left national politics at the same time as Gen de Gaulle withdrew in 1969, while retaining his job as mayor of the town of Amboise and a deputy for the island of Réunion until the late 1980s. He was an unsuccessful presidential candidate in 1981.

"He was one of the fathers of our constitution, to whom our nation owes its stability and equilibrium," said President Jacques Chirac yesterday. "France has lost one of its greatest servants."

Andrew Jack, Paris

German output surprises

German industrial output rose by a surprisingly strong 0.6 per cent in June, according to the Federal Statistics Office, raising hopes of a robust economic rebound in the second quarter. The increase was underpinned by a strong performance by the manufacturing sector.

Although overall the rise was higher than expected, it was still lower than gains in the previous three months.

German economists remain cautious because of subdued business confidence and the recent rebound in the D-Mark. Ifo, the economic institute, on Thursday forecast a rise in economic growth of 0.75 per cent for this year, followed by 2 per cent in 1997, underlining a consensus that the economic recovery will be slow initially.

Mr Holger Fabrikkrug, an economist at UBS Frankfurt, said: "This is no doubt a good release as such. But it is not consistent with other data. The question is, which do we believe? The Ifo business confidence index is down, unemployment is up, yet output is also up." He said business confidence and industry's readiness in step up investment activity were closely related to the D-Mark's exchange rate against the dollar.

The 0.6 per cent increase in June was made up of a 0.4 per cent rise in west Germany and an 1.8 per cent gain in the east.

Wolfgang Münchau, Frankfurt

Magic Marne lures French car fleets

By Andrew Jack in Châlons-en-Champagne

For a city with one of the highest rates of car registration in the country, there does not appear to be an extraordinary number of parking places in Châlons-en-Champagne, capital of the Marne department in north-eastern France.

Nor is the Avis car rental office at the railway station of any notable size, even though by the end of this year it will have a massive 25,000 cars in its fleet carrying "51" as the two last digits on their number plates, signifying they come from Marne.

All across France, there has been an explosion in the number of cars bearing the same two magic numbers.

The reason is simple. When a government policy of decentralisation began to take effect Mr Albert Vecten, the centre-right president of the Marne assembly and a low-tax ideologue, acted swiftly to make Marne the car tax capital of France. At first he proposed abolishing the vignette entirely. But when the French interior minister at the time protested, Mr Vecten tried to reduce it to a symbolic FF1.

Fearful of losing too much money, his colleagues in the assembly insisted on a slightly higher level. But as other regions, including nearby Paris, have put up prices and word of the Marne's persistently low tariffs has spread, registrations have soared.

There were 30,000 in the first three months of this year, the same number as for the whole of July.

Individuals are legally obliged to buy vignettes in the department in which they live, but companies simply have to register locally and have no obligation to employ staff or keep cars in the region.

Since 1984, when Paris first allowed departmental assemblies to set their own vignette prices, Marne's charges have fallen 30 per cent to the lowest level in the country at FF278 (\$55.48) for a normal car, against the highest at FF604 in Cantal, while its revenues from the tax have remained unchanged at FF50m.

Car rental companies are delighted. Avis alone estimates it is saving FF6m a year.

But as word gets out that rental cars and the digits "51" are synonymous, not everyone will be so happy. The thinness of their gilt was already beginning to show, among many of the glamorous honorees at the Cannes film festival earlier this year, when observers noticed how frequently the final two digits on the plates of their expensive open-top cars were 51.

THE FINANCIAL TIMES Published by The Financial Times (Europe) GmbH, Niederwallstraße 2, 60318 Frankfurt am Main, Germany. Telephone: +49 69 156 550. Fax: +49 69 390 4481. Represented in Frankfurt by J. Walter Brand, Wilhelm J. Brand, Colin A. Kennard as Geschäftsführer and in London by David C. M. Bell, Chairman, and Alan C. Miller, Deputy Chairman. Shareholders of The Financial Times (Europe) GmbH are: The Financial Times (Europe) Ltd, London and F.T. (Germany) Advertising Ltd, London. Shareholder of the above mentioned two companies is The Financial Times Limited, Number One Southwark Bridge, London SE1 9HL.

GERMANY: Responsible for Advertising: Colin A. Kennard. Printer: Harnett International Verlagsgesellschaft mbH, Adenauer-Ringstraße 34, 61228 Neuss, Germany. ISSN 0174-7633. Responsible Editor: Richard Lambert. © The Financial Times Limited. Number One Southwark Bridge, London SE1 9HL.

FRANCE: Publishing Director: P. Maravaglia, 42 Rue La Boétie, 75008 PARIS. Telephone: (01) 5776 3254. Fax: (01) 5776 8253. Printer: S.A. Normandy Editions, Rue de Camille Fauriol, Roubaix Cedex 1, France. ISSN 1148-2753. Responsible Editor: Richard Lambert. Number One Southwark Bridge, London SE1 9HL.

SWEDEN: Responsible Publisher: Hugh Carnegie 408 616 6858. Printer: AB Kvalitetstryckeriet, Expressen, PO Box 6007, S-550 06, Jönköping.

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Italy outraged as war crimes trial backfires

By Robert Graham in Rome

The war crimes trial of former German SS officer Eric Priebe in Italy has badly backfired.

It was meant to provide the occasion for a national catharsis, purging the memory of one of the most painful episodes during the second world war, the "Ardeatine Massacre", a reprisal execution of 335 civilians in 1944 during the closing stages of the German occupation of Rome. Instead all the old wounds have been reopened.

The public had been led to believe the 63-year-old Nazi officer would be found guilty for his acknowledged involvement in the massacre and would receive a life sentence. Because of his age he would then be allowed out of jail on house arrest with justice done and the brutal killings duly respected.

Unfortunately, Thursday's sentence by a Rome military court upset this scenario. The court found him responsible but applied the extenuating circumstance that he was obeying orders and that the crime was therefore beyond the statute of limitations, allowing him to be freed from jail.

The subsequent storm of public outrage, fully endorsed by the centre-left government, led to his immediate re-arrest. It has also ensured the sentence will be appealed and turned the Priebe case into a question of national honour, with Mr Romano Prodi, prime minister, making a late-night visit to the site of the massacre, a grim set of caves off Rome's ancient Appian Way.

Matters are further complicated by Germany's imminent request for Priebe's extradition to stand trial on similar charges. Regardless of the legal

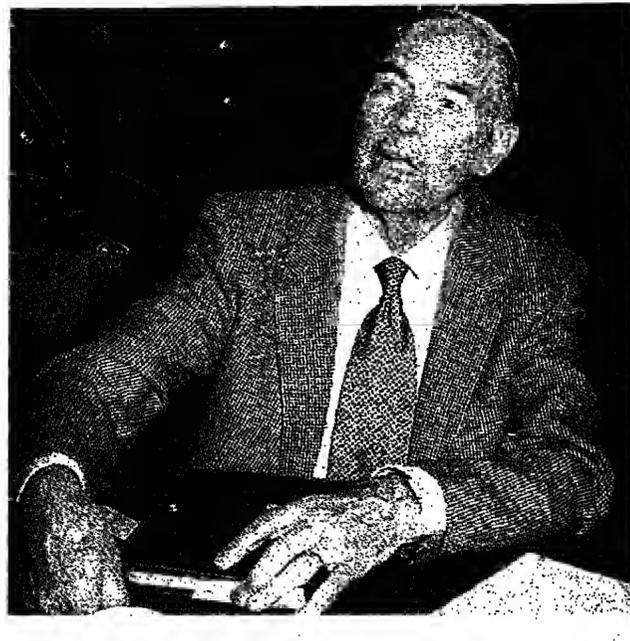
nities of whether such extradition is possible, it would be a great humiliation for the Italians to hand over Priebe to German justice for a massacre that is regarded as Italy's symbol of innocent suffering during the second world war.

The Ardeatine massacre occurred as the German army was extremely nervous about the impact of the Allied landings at Anzio on the beaches south of Rome. It was provoked by partisans blowing up a convoy killing 33 people, mostly elderly Italian policemen. This was the first big act of sabotage in Rome, then an open city, and the German high command feared a popular uprising. Hitler ordered immediate reprisals, executing 50 Italians for every person killed.

This cruel ratio was reduced to 10 for one, with victims taken from political prisoners and Jews awaiting deportation. However, the total number executed was 335, five extra. Priebe - acting under SS commander Herbert Kappler - was responsible for checking the lists and personally shot two persons. Both Kappler and Priebe were arrested in 1945 but Priebe escaped, eventually reaching Argentina.

Kappler was put on trial with five of his men for the massacre. In 1948 a Rome military court in a complex judgment found that the partisans had acted illegally in planting the bomb, that the reprisal was in part justified and that Kappler was obeying orders. He was however given life imprisonment for the murder of five persons since these were "extra" to the 10-for-one reprisal ratio. (They were apparently killed because they were witnesses to the mass killing.)

In 1977 Kappler was able to escape from his Italian hospital



'I've lived all this time with it weighing on my heart, but it was a legitimate reprisal' - Priebe

in an operation that had the air of political convenience, as his continued presence in Italy had become an irritant in Italo-German relations.

No attempt was made to find Priebe, although he was living in the Argentine mountain resort of Bariloche under his own name and had visited Italy on at least two occasions.

Indeed, the authorities' attitude from the 1950s onwards towards war criminals was to let sleeping dogs lie. None of the parties involved wanted to unearth uncomfiable facts that might show either the divisions within the resistance movement, the degree of popular indifference to the German

occupation, the level of support for fascism or the extent to which the Vatican might be shown in an unflattering light.

Only after Priebe was interviewed in 1994 by an American TV network was there a clamour in Italy for his extradition. The then government pressed extradition proceedings, not least because one of its members, the National Alliance, was the heir of the neo-fascist MSI, which had always had an ambiguous attitude towards the massacre and was accordingly anxious to demonstrate its democratic credentials.

In pressing for extradition, the Italian authorities appear to have given insufficient study to the legal problems involved in the trial of a war criminal who might well have been absolved if he had been tried along with Kappler in 1948. Unlike France and Germany, Italian law applies a statute of limitations even to crimes against humanity.

Ms Barbara Spinelli, one of Italy's most penetrating analysts, wrote bitterly yesterday in La Stampa: "Italy has not only shown it is incapable of administering justice to Nazi war criminals. It has also shown itself incapable of understanding and judging after 52 years the totalitarian horrors that occurred in the first part of this century."

Germany may seek extradition of Priebe

By Judy Dempsey in Bonn

The German government yesterday said it was considering a request by state prosecutors to seek the extradition from Italy of Mr Eric Priebe, the former SS captain re-arrested hours after a military court ruled he could not be punished because of a statute of limitations.

The request by prosecutors from the city of Dortmund, north-east of Bonn, was passed on to the federal justice ministry, which has 40 days to make a

formal application for Mr Priebe's extradition.

"I expect the German government to apply for Priebe's extradition from Italy," said Mr Bernhard Böhm, justice ministry spokesman.

He said that if the request was successful, Mr Priebe would stand trial in a German court although under European law he could not be tried for the same charges as those levelled against him in Italy.

The German justice ministry said it was unclear whether Italy would

extradite Mr Priebe, since an Italian prosecutor's appeal against the verdict is pending.

In addition, Argentina, where Mr Priebe had lived since 1943, had agreed to hand him over to the Italian authorities in 1995 on condition that no other countries would demand his extradition. Mr Böhm said the justice ministry had already contacted the Argentine authorities on this issue. It was awaiting a reply.

Mr Priebe was re-arrested on a temporary detention order after his trial in

Italy following notice from Germany that prosecutors there intended to seek his extradition for two killings.

In Italy military prosecutor Antonio Intelliano said: "Priebe is being held in precautionary detention... we are waiting for that request to be formalised."

However the Italian authorities were disappointed when asked if an extradition request would be complied with speedily. "I'm not making any predictions," Italian Justice Minister Giovanni Maria Flick said.

A cruise too far for angry Greeks

Seamen's unions protest at UK-owned ship in the Aegean, says Kerin Hope

In the heyday of Greek tourism, cruise passengers were greeted by cheerful islanders offering flowers. Today's welcome party for the Marco Polo, a UK-owned cruise ship due to dock in Piraeus, will be a Greek coastguard unit in military fatigues, with orders to protect its 850 passengers from local protesters.

The 22,000-ton Marco Polo is at the centre of a dispute with the Panhellenic Federation of Seamen's Unions (PNO) over the terms on which foreign vessels operate in Greek waters. The union made a point of staging protest demonstrations each time the Marco Polo put in earlier this summer at the southern Greek port of Nauplion.

The union is concerned that if foreign cruise ships expand their presence in the Aegean market, Greek cruise companies will cut costs in order to remain competitive. The first move, the PNO claims, would be to slash wages for "hotel staff" - cabin stewards, waiters and kitchen staff - who earn much less on foreign-flag vessels.

Mr Yannis Chelias, PNO's president, says: "It's a question

of unfair competition. The Filipinos who work on foreign ships like the Marco Polo make one-quarter of a Greek salary and rely on tips to boost their earnings. We already have about 1,000 unemployed hotel staff among our members, whose chances of getting another job are receding fast."

Greece's cruise industry is protected by cabotage regulations, which ban foreign operators from embarking or disembarking passengers at Greek ports. However, international companies can make calls at Greek ports provided the cruise starts or finishes outside Greece.

Despite the restrictions on foreign competition, Greece's own cruise industry is in difficulties. The dozen elderly Greek-flag cruise vessels operating in the Aegean cannot offer facilities comparable to those on ships like the Marco Polo, which underwent an \$80m refit at a Greek yard in preparation for joining the market.

One reason for the Greek cruise companies' problems is the high cost of labour, especially the large numbers of "hotel staff" needed to cater for passengers. Under Greece's

tight labour laws, local cruise companies are obliged to employ Greek stewards and waiters and provide them with benefits and allowances that compare with those of hotel employees onshore.

An Athens-based analyst said: "Successful Greek cruise operators have built large new luxury ships and now concentrate on the Caribbean market."

Hard hit at home, top Greek operators are concentrating on the Caribbean

"There has been virtually no investment in the Aegean, partly because cabotage restrictions have the effect of raising operating costs to uncompetitive levels," he said.

The Marco Polo, owned by Orient Lines and flying a Bah-

amas flag, has an international crew that includes both Greek engine-room staff and Filipino stewards.

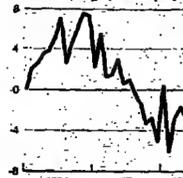
Like several of the 16 international cruise ships operating in Greek waters, the ship offers one- and two-week cruises between Greece and Turkey. But the Marco Polo has a higher profile than other vessels because it carries more passengers and calls more often at Greek ports.

Other Greek shipping unions have given unofficial backing to the PNO's attempts to disrupt the Marco Polo's operation.

Because of opposition from harbour officials and a strike by the pilots' union when it tried to dock in Piraeus during its first cruise in May, Orient Lines followed the shipping ministry's advice and diverted the ship to Nauplion, a small port 100km south of Athens.

Each time the Marco Polo tied up, scuffles broke out between demonstrators and the coastguard, while the Nauplion town council tried to rescue its reputation for hospitality by offering disembarking roses and free drinks.

Last week the council of state, Greece's highest court,



صكرا من الاصل

Cuba casts rogue financier into the dock

By Pascal Fletcher in Havana

During his 25 years on the run in the Caribbean as America's best-known financial fugitive, Mr Robert Vesco can little have imagined he would end up sitting in the dock of a Cuban court charged with fraud by the government of President Fidel Castro.

After all, it was Mr Castro's Cuba that gave the US-born financier safe haven from the reach of US courts, whose charges against him include indictments for international cocaine-trafficking and a \$224m embezzlement.

The crimes of which he is accused in Cuba seem less grandiose, even a disappointment for a man who built up a notorious reputation as an outlaw dealmaker always keeping

one step ahead of American lawmen in a trail that ran from Costa Rica to the Bahamas and, since 1982, Cuba.

On paper, it looks serious enough. Mr Vesco, now 60 and grey-haired, faces a possible 20-year jail term in Cuba on charges of "acts prejudicial to the economy, fraud and illegal economic activity".

But the story which emerged from the first day of his trial in Havana this week reads more like the misdeeds of a high-talking, small-time con man than the dealings of a rogue financier wizard.

According to prosecution witnesses, Mr Vesco, who in Cuba lived under the name of "Tom Adams", lied about his connections with the Cuban leadership to bully Cuban health officials into approving

the production of a supposedly miraculous wonder drug, "TX", allegedly effective against cancer and Aids.

Mr Vesco's partner in the venture was his friend, Mr Donald Nixon Jr, nephew of the late US President Richard Nixon. Mr Nixon introduced the TX project to Mr Vesco, claiming the drug had cured his wife of cancer. "I brought it [to Cuba] because no one in the US would help me... everybody thought it was snake oil," Mr Nixon told reporters in Cuba last year when arrested with Mr Vesco. He was later freed and returned to the US.

As part of the Cuban case against him, businessmen from Italy, Colombia, Britain and Switzerland are accused of duping them into pro-

viding financing for the TX project when in fact he had no real authorisation in Cuba to produce the drug. The sums allegedly involved range from \$150,000 to about \$400,000 - a far cry from the \$224m he is accused of swindling from his old company, the Swiss-based Overseas Investors Services.

Mr Vesco denies the Cuban charges. "I have never met the president of Cuba nor did I tell anyone that I had," he said in five hours of testimony.

Key prosecution witnesses contradicted him. "Each time we spoke... Tom Adams (Robert Vesco) said he had influence in the highest spheres of the nation," said Dr Jose Ignacio Golocobes, a former Cuban deputy health minister.

Before his arrest at his Havana home in May last

year, Mr Vesco had a reputation for enjoying official high-level patronage and protection in Cuba. It was widely believed that, using his business contacts, he had been helping Cuba to circumvent the longstanding US economic embargo against the island.

His larger-than-life reputation received another boost when his arrest in 1995 touched off a storm of speculation, quickly quashed by President Castro, that Cuba would offer to extradite him to the US as a sweetener to improve tense relations.

The testimony of key prosecution witnesses so far reflects a keen desire on the part of the Cuban authorities to head off negative publicity that might harm the country's new opening to foreign investment,

especially in the promising but secretive biotechnology and pharmaceutical industries.

Many observers feel the trial will conceal more than it reveals. Among unanswered questions is how, if Cuba's health ministry ordered a halt to the TX project in December 1994, Mr Vesco was able to transfer the scientific work to a laboratory belonging to another state company, Labiofam, reportedly headed by a nephew of Mr Castro.

Mr Vesco is the only foreigner who has given evidence in person. All of the others named, including Mr Nixon, are understood to have submitted written testimony. The only other defendant in the trial, to continue this weekend, is Mr Vesco's Cuban wife, Lydia Alfonso.

Northern town of Maki could set tone for the country's debate

Nuclear power referendum divides Japan

By Enriko Terazono in Tokyo

The small town of Maki has put itself at the centre of the country's political map. The residents of the northern Japanese town will tomorrow hold the country's first referendum on the construction of a nuclear reactor.

Nuclear power remains a controversial issue and a vote rejecting the reactor construction will increase pressure on the government to scale down its ambitious nuclear energy policy. It could also prompt a spate of similar polls and political campaigns in municipalities around the country.

Anti-nuclear sentiment has heightened since the leakage at Monju, the country's experimental reactor, late last year. Attempts by Monju's state-owned operator to conceal various facts related to the accident fuelled the distrust of the government and nuclear energy advocates.

Just over a third of Japan's energy consumption comes from nuclear power, and the government has indicated that it wants to raise the country's use of nuclear energy to 42 per cent by 2010.

However, the strength of anti-nuclear sentiment has forced some electric power utilities to withdraw plans to construct nuclear power facilities, and the pro-nuclear movement was revived by the result last month in a mayoral election at Suzu, in western Japan, where a prominent environmentalist candidate was defeated.

The pro-nuclear camp, consisting of government officials, electric utility companies and supportive residents in the town of 30,000, held a meeting last week. "It has to be built somewhere, and the money the state gives us will be good for the town," said Mr Shunichi Yamazoe, a 55-year-old Maki resident who supports the construction.

For many of those who oppose the nuclear reactor, the referendum will end a 27-year struggle. Tohoku Electric announced the construction plan in 1969, but was forced to halt administrative paperwork in 1983 as land speculators and anti-nuclear groups bought small plots of land in the planned location.

"The government has used power and money to shut up the environmentalists," says Mr Masatoshi Nakamura, a resident leading the anti-nuclear camp, referring to episodes when riot police were brought in to remove demonstrators. "Once and for all we can settle this debate fairly."

Calls for a referendum reviewing the reactor project mounted in 1994 when Mr Kanji Sato, the mayor who had been elected on an anti-nuclear platform, indicated his support for the construction. Mr Sato renewed last December following a request for his recall accompanied by 10,231 signatures of residents, who then elected Mr Takasaki Sasaguchi, who was advocating a referendum.

Residents point out that the shift in the population, as Maki has transformed itself from a tight-knit fishing community to a dormitory town for the nearby city of Niigata, has made the referendum possible. "The young residents are not bound by old relationships and values of the traditional community. Before, people did what the town elders told them to do, but that has changed," says Mr Nakamura.

And although the pro-nuclear camp blames the referendum for splitting the town, other residents see it as a sign of democracy finally taking root. "Before there was a feeling that the whole household had to go along with what the husband decides. Now our individual voices can be heard," said one housewife.

Moderates set to step in as Gen Mohamed Farah Aided dies from gunshot wounds

Somali warlord's death may spur end to civil war

By Michela Wrong, Africa Correspondent

The gunman who last week shot General Mohamed Farah Aided has done what 30,000 US troops failed to achieve during an embarrassing five-month manhunt: eliminate a ruthless warlord whose determination to rule Somalia has prolonged its civil war.

News that Somalia's self-styled "president", responsible for America's worst military humiliation since the Vietnam war, had died of his wounds marks the end of what became a showdown between one man and the US establishment.

Analysts were yesterday cautiously welcoming the news, predicting it could give stalled peace efforts between the country's clans new impetus.

"This could free up some space for clan elders who want to negotiate a constitutional settlement," said Mr Don Hedding of Britain's Save the Children Fund. "Moderates who

went underground will once more be able to raise their heads and play a role."

Reports of Gen Aided's death had been circulating since Friday last week, when a radio station belonging to Mr Ali Mahdi Mohamed, a rival warlord, said he had been hit during fighting in south Mogadishu's Medina district.

He was hurried yesterday according to Muslim tradition, and leaders of his Habr-Gadiri sub-clan ordered 30 days of mourning.

Gen Aided's determination to be sole ruler of Somalia appears to go back a long way. As an army officer in post-independence Somalia, he was jailed on suspicion of plotting against President Mohamed Siad Barre. Reinstated as security adviser and then ambassador to India, he later formed a coalition of forces that routed Siad Barre in 1991.

But he sprang to international prominence when fighting between his faction and Mr Mahdi's brought famine to



The vacuum left by the death of Gen Aided (left), who once had a \$25,000 price tag on his head, may trigger a power struggle

Somalia. Washington sent crack troops to hunt him down.

Five months later - after 18 US army rangers had died, with many of the corpses being dragged through Mogadishu's streets - the Clinton administration backed down and he emerged from hiding.

When the US departed in 1994, Gen Aided and Mr Mahdi promised an end to war but fighting soon broke out again.

"The General" finally appears to have fallen victim to his own ambition. Last year's alienation of Mr Osman Ali Atto, his former financier, created a powerful enemy who joined forces with Mr Mahdi.

Although Gen Aided won a big victory in September by capturing the town of Baldo, north-west of Mogadishu, he had over-extended himself. By April his fighters were on the defensive.

Gen Aided made no attempt

to prepare a successor and there is no obvious candidate to replace him. The power vacuum may trigger a jostling for position but is expected to have a beneficial long-term effect by allowing clan elders browbeaten into submission to emerge from the shadows.

A 30-man committee has been appointed to run the clan, and there were unconfirmed reports yesterday that Habr Gadir moderates who had fled abroad were returning.

Differences remain despite semiconductor deal

US-Japan insurance talks in deadlock

By Michio Nakamoto in Tokyo

The chances of future trade friction between Washington and Tokyo increased yesterday after talks over the liberalisation of Japan's insurance market broke down in Vancouver.

The two sides suspended negotiations with little progress made in narrowing their main differences.

They agreed to restart the talks when both are ready, but without a specific date for doing so. "We could not reach an agreement because our positions in several areas were too wide apart," a Japanese finance ministry official said yesterday.

Following the breakdown of talks, Mr Wataru Kubo, Japan's minister of finance, who had been in close contact with acting US Treasury Secretary, US trade representative, indicated that the government was prepared to allow Japanese life insurance companies to offer so-called third sector insurance products through subsidiaries, which could trigger US trade sanctions.

The US has warned that it could take retaliatory action against Japan if it allows life insurance companies to provide third sector products, particularly accident insurance, which is an area where foreign insurance companies have carved themselves a profitable niche.

The US claims that allowing Japanese life insurance companies to provide accident insurance would breach the bilateral framework agreement in which Japan agreed to avoid



radical change" in this sector. Japan counters that its proposed move does not constitute a breach of the agreement. Following an amendment to Japanese law, big Japanese life insurance companies are planning to set up subsidiaries to move into accident insurance in October and Mr Kubo stressed that the finance ministry could not indefinitely keep the life insurance companies' plans on hold.

"We want to find a solution as early as possible in light of the importance of approving third-sector products," he said. "We cannot ignore requests which are in line with domestic law."

"I requested resuming the talks soon, because Japanese insurers are expected to set up subsidiaries to enter the third sector, but the US rejected the request and we agreed to have a cooling-off period," Mr Kubo said.

Mr Kubo emphasised that he hopes bilateral talks will resume within the month and that an agreement could be reached before Japanese life insurance companies establish subsidiaries to enter the third sector in October.

US President Bill Clinton and Mr Ryutaro Hashimoto, Japan's prime minister, had agreed to make efforts to resolve the insurance row by a self-imposed deadline of July 31.

In a bid to take the talks forward, Japan's ministry of finance proposed to deregulate the mail-order motor insurance market and allow different rates to be set - a move long sought by US industry.

However, the strong stance taken by both sides regarding the move of Japanese life insurance companies into the market for motor insurance, makes chances of a compromise agreement slim.

Threat to peace as Israel signals settlement drive

By Avi Meichas in Jerusalem

Israel's hardline government yesterday took a first step towards expanding Jewish settlements in the West Bank and Gaza Strip, in a move which could undo efforts to relaunch the stalled Israeli-Palestinian peace process.

The Israeli cabinet decided to ease restrictions on expansion and construction of settlements, but stopped short of publishing firm settlement plans.

Mr Benjamin Netanyahu, prime minister and leader of the rightwing Likud party, said in a statement released after the meeting that the previous Labour-led government placed "chains and handcuffs" on Jewish settlement. "It is clear that we do not accept this situation," he said.

The decision was the first firm move by the new government towards implementing its policy of "consolidating and developing the settlement enterprise".

The previous government, headed first by the late Yitzhak Rabin and then by Mr Shimon Peres, which was committed to peace with Arabs on the basis of surrendering land conquered by Israel in the 1967 Arab-Israeli war, allowed the "natural expansion" of existing settlements.

According to the settler newspaper Nekkuda, the number of settlers in the West Bank and Gaza expanded under Labour's tenure from 105,940 to 151,224.

Halting settlement activity is a fundamental Palestinian demand for continuation of the peace process. Under the 1993 Oslo peace accords, the Pales-

tine Liberation Organisation agreed that existing settlements would have their fate decided in "final status" talks started in May and set to run through 1999. These talks are now stalled while the new Israeli government and the self-governing Palestinian Authority forge contacts.

Mr Ahmad Qurei, speaker of the Palestinian Legislative Council elected in January, said: "This is a very bad message from the Israeli government, that they don't want this process to work. The peace agreement will never be an umbrella for the Israeli government to use to continue its policy of building settlements and confiscating land."

Mr Yossi Beilin, formerly one of Labour's chief peace negotiators, said: "An ideology that intends to expand the settlements and perhaps build new ones is behind this procedural decision." He warned that if this was the government's policy, "it will make the peace process almost impossible to continue".

Mr Yair Hirschfeld, an Israeli academic who opened the initial contacts leading to the 1993 Oslo breakthrough, said this week that a Labour-PLO agreement reached just before the May 29 elections would have allowed Israel to annex 10 per cent of the West Bank - containing 70 per cent of existing settlers.

Reuter adds from Jerusalem: A Palestinian was shot dead and several others were wounded yesterday during a riot by families of Arab inmates held in a PLO prison in the West Bank town of Tul-karm. Palestinian security officials and witnesses said.

IMF agrees economic package with Egypt

By Sean Evers in Cairo

Egypt and the International Monetary Fund have finally agreed in principle on an economic policy reform package, according to officials close to the negotiations.

The agreement, reached after four rounds of talks since March, is expected to come into effect before the Novem-

ber Middle East and North Africa economic summit.

The IMF's attempt to complete the first review of the 1995 extended fund facility (EFF) agreement reached an impasse in July 1994. The government refused to devalue the Egyptian pound, which the IMF saw as essential to stimulate exports and make a pre-requisite for any deal.

Talks resumed earlier this year with the implicit understanding that devaluation was off the agenda. The two sides abandoned their attempts to review the old EFF agreement and focused instead on a new programme.

The Egyptian government is keen to secure an agreement with the IMF before the November summit. This will

pave the way for the Paris Club of creditors to write off a third and final tranche of sovereign debt worth about \$4bn, agreed in principle after the 1990-91 Gulf crisis.

In January, President Mubarak appointed a new cabinet headed by Mr Kamal el-Ganzouri, prime minister, with a mandate to push ahead with long-delayed structural eco-

nomic reform, centred on privatisation and deregulation.

Since May, the government has accelerated privatisation, and for the first time started selling majority stakes in state companies. Mr Ganzouri announced last week that 39 more state companies would be privatised before the end of the year, with a total estimated value of \$1bn.

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COMPANIES AND FINANCE

■ Hush Puppies disposal brings in £23m ■ Stylo takes on leases of 61 Facia shops

Sears achieves shoe business restructuring

By Christopher Brown-Humes

Sears, the retail group, yesterday completed a four-year restructuring of its shoe operations, by announcing the sale of the retail and wholesale operations of Hush Puppies for £23m.

The retail business is being bought by Stylo, the UK's third highest specialist shoe group, which has also agreed to take over leases on 61 Facia group stores. These properties reverted to Sears after Facia collapsed into receivership two months ago.

Mr Liam Strong, Sears chief executive, described the Hush Puppies sale as "the final building block in our strategy to focus on a small number of brands with good potential for growth".

He said the returns from Hush Puppies - a multi-market business targeted mainly at the over 40s - were unlikely to reach those of the other businesses.

During its restructuring, Sears has sold more than 500

shoe shops, cutting its British Shoe Corp operations from 14 fascias to four.

Its remaining businesses, comprising department stores, Dolcis, Shoe City and Shoe Express, spread across 800 outlets.

Sears will sell 119 Hush Puppies stores to Stylo for £19.2m, while the wholesale business is being bought by Wolverine World Wide, owner of the Hush Puppies brand, for £3.8m. This gives Sears, which will continue to sell Hush Puppies in some of its stores, an overall profit of £200,000.

Meanwhile, Sears is paying Stylo £8.75m to take the Facia stores off its hands, while Stylo pays Facia £5.9m. Sears retains 230 Facia stores, many of which are likely to close. The group believes that a £25m provision it made after Facia's receivership is enough to cover its liabilities.

Stylo, best known for its Baratts chain, gains 180 additional stores through the deals, nearly doubling its market share to 7.5 per cent.



Liam Strong: 'the final building block in our strategy to focus on a small number of brands'

Its main acquisitions from Facia are 42 Saxeone outlets and the worldwide rights to the Saxeone name.

The group is also getting 16 Freeman Hardy Willis stores and three Trueform outlets. Mr Michael Ziff, chief executive, said: "The shoe market is much better than a year ago, echoing recent optimism about the sector at a time of increased consumer spending.

Stylo plans to fund part of the purchase with a 1-for-3 placing and open offer at 110p per share to raise £14.9m.

Some believe Sears would have done better to stick with more of its shoe brands and make them work, especially with a sector recovery now in sight. This increases the pressure on it to show tangible benefits

from the restructuring - and soon - because four years of upheaval have so far produced very little. What is needed is a convincing pick-up in sales this autumn and clearer signs of supply chain and logistical efficiencies. Until this happens the shares - down 1 1/2p to 98p - will not easily break away from the £1 level to which they seem to have become rooted.

Matthew Clark pays £431,000 moving bill

By David Blackwell

Matthew Clark, which under Mr Peter Aikens has grown to be the second biggest player in the UK cider market, spent a total of £431,000 so he could move home last year.

The report and accounts show he was paid relocation assistance of £262,000, on which the group paid £169,000 in associated income tax. The payment included a disturbance allowance of £127,000 and £69,000 compensation for the shortfall in sale proceeds on his former home.

Mr Michael Cottrell, non-executive chairman of the remuneration committee, yesterday described the move as "a hard-nosed business decision. If we had failed to persuade Peter to relocate we would have done shareholders a considerable disservice".

The group asked Mr Aikens, who became chief executive in May 1990, to move from his home of 20 years in Reigate, Surrey, after the group moved its headquarters from Guildford to Bristol in May last year following the acquisition of Gaylams. It paid for 51 other managers to move house at the same time.

The group asked Matthew Clark, which acquired Taunton Cider in November last year, returned to the black, reporting pre-tax profits of £17.2m for the year to April 30 after exceptional gains of £25.1m for restructuring.

The annual report shows that Mr Aikens' salary was unchanged at £151,000, but his total remuneration rose by 26 per cent to £241,000, including £110,000 in bonuses.

Mr Brian Stewart, chief executive of Scottish & Newcastle, held 296,311 share options at the end of April, according to the annual report and accounts.

At yesterday's closing price of 65p the shares are worth a total of just over £1.9m. Mr Stewart's weighted average exercise price is 420p a share on the options, which are exercisable to the end of August 2005.

Last year Mr Stewart, whose pay rose 21 per cent to £462,000, was granted 17,982 options at an exercise price of 246p. He holds 19,871 shares under the group's long-term incentive plan.

Kept rebuffs TR with plan to become a unit trust

By Roger Taylor

Kleinwort European Privatisation Investment Trust (Kept) yesterday faced a humiliating climbdown following a £300m hostile bid from TR European Growth, an investment trust managed by Henderson Touche Romanet.

But it is choosing suicide before surrender. Rather than see TR take over the fund and liquidate it, Kept is drawing up plans to convert to a unit trust.

This would allow shareholders to cash in their investments, and as many will choose to do this, the net effect will be similar to liquidation.

The difference is that the costs will be much lower since TR and its advisers will be denied the fees they stand to make if the bid were successful. This means the return to shareholders will be correspondingly higher.

Kept's announcement was welcomed by brokers. Mr Peter Walls, analyst at Credit Lyonnais Laing said: "This must be

good news for shareholders."

However, the move is a painful reversal for Kept's board, which has maintained until now that any form of liquidation or unitisation would be against shareholders' best interests.

Kept has been under pressure from dissatisfied investors to do something about the fund's poor performance almost since the day it was launched two years ago. Earlier this year the board put forward proposals for a £300m share buy-back scheme. Shareholders were due to vote on this at an extraordinary meeting on Tuesday.

The board has now cancelled next Tuesday's meeting while it waits for Kleinwort Benson Investment Management to draw up unitisation plans.

Mr Shane Ross, chairman of Kept, said it was by no means certain that the board would accept unitisation. The finished plans would be considered along with all other options, he said.

However, in the face of the

hid from TR, Kept is unlikely to be able to offer anything better. Mr Peter Ellis, deputy chairman of Kleinwort Benson Investment Management, said: "In contrast to the proposals from TR European Growth, the unitisation will seek to maximise value to shareholders without the need to incur very large costs."

Mr James de Saumarez, a director of Henderson, said yesterday: "This is not a knockout blow. We will continue with our bid." He called on the independent directors of the trust to meet with TR to discuss its proposals. TR is offering Kept shareholders either cash or a limited number of shares worth 99.25 per cent of the proceeds of a liquidation. However, bid costs must first be deducted, which could be more than 2 per cent of the fund.

Unitisation would bring to an end an embarrassing episode for Kleinwort Benson. Kept is its largest investment trust but has been a poor investment and the subject of continued complaint.

Sage emerges as bidder for Pegasus

By Paul Taylor

Sage, the Newcastle-based accounting software house, emerged yesterday as the mystery potential bidder for Pegasus, its smaller rival, which could value the USA-listed company at around £77m.

Sage, the UK's leading developer of business accounting software for personal computers, said it wanted to make a recommended offer for Pegasus and had been in discussions with its board and advisers concerning terms.

It said it had put a conditional cash or paper proposal worth 425p a share to the Pegasus board.

Pegasus shares jumped from around the 300p level to almost 420p a week ago when the company revealed it was the target of an unsolicited approach. Yesterday, ahead of the Sage announcement, the shares closed unchanged at 419p, while Sage shares closed 1p up at 429p.

Sage is understood to have approached Pegasus a number of months ago and to have held

several rounds of discussions since then. However it is understood that the initial Pegasus response to Sage's overtures was less than enthusiastic.

Yesterday, in response to the Sage announcement, Pegasus said a 425p-a-share offer significantly undervalued its trading prospects.

COMMENT

A merger between these two companies makes sense. While Sage is much bigger than Pegasus, both serve the growing market for accounting software in small and medium sized companies. Pegasus, however, has little presence outside the UK while Sage has built up a strong international business. Similarly a deal would help strengthen Sage's own position in the domestic market. More fundamentally, small software companies are under increasing pressure because of high development costs and the need to seek economies of scale - forces which have already led to a wave of consolidation within the industry.

Ronson calls for £10.4m in wake of purchases

By Justin Marozzi

Ronson, the branded products group, is raising £10.4m net to repay an outstanding loan and strengthen the balance sheet.

The group is proposing a 9-for-10 rights issue of 40.3m shares at 25p. All directors except one will be taking up their rights, amounting to 1.25m shares. The issue is fully underwritten by Williams de Broe and Apax Partners.

Ms Christine Pickles, corporate development director, said the fall was "quite pleasing" against a theoretical price of 25p averaged down after dilution. Institutions had been "very supportive", she said.

At the same time Ronson announced a collapse in pre-tax profits from £1.45m to £27,000 in the half year to June 29. Turnover was little changed at £14.5m (£14.2m). Net interest payable jumped from £37,000 to £252,000 on the back of last

year's acquisitions. Ms Pickles said the fire at its Newcastle facility, which cost £9.1m, accounted for most of the drop in profits and forced the group to "relook at our finances".

Ronson will be recouping £5.9m of the losses from insurance proceeds. Ms Pickles said that after paying the outstanding loan of £6m which financed recent acquisitions in the home shopping businesses the group

would focus on organic growth. Funds raised from the rights issue would also go to implementing "improved business systems" in the new centralised operation in Garwick after the decision not to rebuild the Newcastle premises.

The group's strategy is to bring out new collections and develop further brand opportunities in the four sales divisions. It has just launched three collections of men's

grooming products. Ronson's sales are heavily biased towards Christmas, with about 45 per cent of its turnover coming in the last quarter.

Ms Pickles said Ronson aimed to be a "mini Dunhill" but with its products in the "accessible rather than aspirational" bracket. The interim dividend is unchanged at 0.25p, payable from earnings per share of 0.08p (2.43p).

Analysts cut forecasts after Arjo warns on full year

By Patrick Harverson

Analysts yesterday slashed their profits forecasts for Arjo Wiggins Appleton after the Anglo-French paper group warned that its results this year would be even worse than expected because of difficult trading conditions in the European paper market.

Announcing a drop in second quarter revenues from £908.9m to £884.9m, Mr Cob Stenham, chairman, said the first half had proved tougher than anticipated because of weak European demand and falling pulp and paper prices.

Although Arjo's performance in the second half would

improve, it would be insufficient to make up for the profits deterioration in the first six months, said Mr Andrew Shaw, finance director.

The second profits warning in three months is the latest setback for Arjo, which replaced its chief executive in March. The management shake-up, which saw Mr Alain Soulas succeeded by Mr Philippe Beylier, was made as Mr Daniel Mellin - the deputy chairman and head of St Louis, which owns 40 per cent of Arjo - conducted a strategic review of the group's businesses.

The results of the review are due in September, but analysts are not expecting Mr Mellin to

make wholesale changes within the group.

Yesterday Mr Shaw said the outlook for the second half had begun to brighten and signs of a recovery in pulp prices and sales volumes. However, that did not stop City analysts from downgrading their profits forecasts for this year by £25m-£30m to about £130m. "This represents extended gloom for Arjo and we certainly can't be sure the board's more optimistic assessment of the second half can be justified," said Mr Robert Miller-Balswell of NatWest Securities.

The group's shares fell 9p in early trading, but recovered later to end down 3p at 171p.



Cob Stenham: first half had proved tougher than anticipated

CCI to acquire UK side for up to £16m

Cash Converters International, the Australia-based retailer specialising in the franchising of stores operating as second-hand goods dealers, is acquiring Cash Converters UK, which has its UK sub-franchisor agreement, for a maximum £16m.

The initial consideration of £12m comprises £8.9m in cash backed loan notes and £3.1m in CCI units.

To finance the acquisition the company is raising £8.9m through a placing and open offer of 33m units at 27p. Some 16m have been firmly placed with the balance available on a 1-for-6 basis.

CCI also forecast pre-tax profits for the year to June 30 1996 of not less than £46.35m (£3.25m) with a final dividend of 2.6 cents, making 3.9 cents (about 2p) for the year.

Cardcast plans final as profits advance 83%

Cardcast, the supplier of credit card fraud prevention services that joined Aim in April, plans to pay a final dividend for 1996 after it yesterday unveiled interim pre-tax profits ahead 83 per cent at £401,000.

Sales were ahead 6 per cent to £1.76m while operating profits rose 51 per cent to £238,000. Earnings per share rose from 1.54p to 2.67p despite an increased number of shares.

Mr Nigel Whitaker, chairman, said the group had cut its broadcasting costs and interest charges following the fund-raising and admission to Aim.

The company has moved Mr Chris Poulton, managing director, to its international division, to "reflect the increase in the international opportunities currently being identified". He is replaced by Mr Graham Pooley.

RESULTS

Company	Turnover (£m)	Pre-tax profit (£m)	EPS (p)	Current payment (p)	Date of payment	Dividends Corresponding dividend	Total for year	Total last year
Cardcast	1.76 (1.89)	0.401 (0.219)	2.67 (1.54)	-	-	-	-	-
Cash Converters	122.8 (82.7)	2.5 (2.1)	7.5 (6.6)	1.8 (1.8)	Oct 1	1.2	-	-
CCI Group	103.3 (72.8)	6.32 (5.07)	3.7 (3.1)	3.175	Dec 11	2.9	4.1	3.75
Int Tool & Supply	38.3 (23.5)	0.28 (0.05)	0.8 (0.2)	-	-	-	-	-
Intec	42.7 (48.7)	5.04 (3.13)	41.2 (22.1)	-	-	-	-	-
Intec	14.8 (14.25)	0.057 (1.45)	0.08 (2.43)	0.25	Oct 1	0.25	1.4	1.75
Investment Trusts								
Company	NAV (p)	Attributable Earnings (p)	EPS (p)	Current payment (p)	Date of payment	Corresponding dividend	Total for year	Total last year
Anglo Overseas	588.9 (520.7)	8.43 (5.47)	5.83 (4.78)	1.52	Sept 16	1.5	-	7.3
Australian Open	59.1 (57.3)	0.005 (0.001)	0.7 (0.1)	0.25	Oct 8	0.25	0.25	0.25
Flamingo Energy	167.6 (159.5)	0.881 (0.318)	0.91 (0.32)	0.24	Oct 17	0.24	-	0.9
Midwest UK Index	165.03 (146.51)	1.44 (1.22)	2.97 (2.51)	2.2	Sept 10	2	-	4.9
Murray European	74.4 (83.5)	0.288 (0.28)	0.88 (0.93)	-	-	-	-	0.9
TR Far East	-	-	-	1.52	Oct 1	1.5	-	2.8

Earnings shown basic. Dividends shown net. Figures in brackets are for corresponding period. *After exceptional charge. *After exceptional credit. *After increased capital. *After stock. SUSA stock. *Companies resisted. *15 currency. *As at Dec 31. *Includes 0.5p as foreign income dividend. *After interim makes 4.2p to date.

NEWS DIGEST

Arsenal falls £3.6m into red

The importance of European football to English Premier League teams was underlined yesterday by annual results from Arsenal, as the north London club unveiled a drop in turnover and a pre-tax loss of £3.6m for the year to May 31.

Mr Peter Hill-Wood, chairman, blamed the loss on "the lack of income from European football, together with the ever-increasing cost in players' wages". The loss compared with a previous profit of £1.94m, while turnover was down £2m at £20.9m.

At the operating level, the Highbury club made a profit of £2.54m (£2.54m) on last season's activities, but this was wiped out by a £6.16m (£4.9m) deficit on transfer dealing. There was also a setback on the commercial and retail side, where profits showed a near £2m drop to £11m.

Arsenal spent more than £12m last summer on buying Dutch forward Dennis Bergkamp and England midfielder David Platt, but has failed to feature in the recent surge of transfer activity, which has seen England striker Alan Shearer move to Newcastle United for a world record £16m.

Both Bergkamp and Platt were signed shortly after Mr Bruce Rioch became manager in June last year, but since then there have been no further incoming cash-transfer deals and many Arsenal supporters have become frustrated at the lack of new signings.

Arsenal players' wages rose by more than £1m to £10.1m last season, while gate receipts - despite near sell-outs at every home game - fell from £11m to £9.7m as a result of fewer matches because of the absence of European competition. This also reduced earnings from television rights. The club won the European Cup Winners' Cup in 1994 and again reached the final the following year.

The balance sheet reveals that £4.06m is owed to the club from previous transfer dealings, but creditors are due £9.46m on the same basis.

Hazelwood bidding closes

The final round of bidding for the Hazelwood power station, being privatised by the Australia's Victorian state government, closed yesterday - with some suggestions that the winning tender could be announced in a matter of days. The plant will be the second generator to be sold off as part of the steady privatisation of Victoria's electricity assets. The first Yalourn, was bought by a consortium led by the UK's PowerGen for A\$2.43bn (\$1.87bn) in March.

A number of US consortia are believed to have been involved in bidding for Hazelwood, including one which brings together National Power and PacificCorp of the US.

Nickel Trail, Sydney

Asahi sees 20 per cent rise

Asahi Breweries, the Japanese beermaker, posted a strong rise in interim earnings following firm sales of its "dry" beer and cost cutting efforts. The company said its unconditional recurring profits - before extraordinary items and tax - for the six months to June rose 20.1 per cent to ¥12.5bn (\$117m) to a 15.5 per cent rise in sales to ¥466.2bn. After-tax profits rose 13 per cent to ¥3.8bn.

For the full year to December, Asahi expects parent sales to grow 4.5 per cent to ¥910bn and recurring earnings to rise by 1.2 per cent to ¥22bn.

Emilio Terazono, Tokyo

Partial offers from Pemberstone

Pemberstone, the investment and property management company, is making partial offers to acquire four residential property companies.

To fund the offers it is raising £7.1m net in a placing and open offer of 12.5m new ordinary shares at 60p. The open offer is on an 8-for-15 basis. Up to 6.25m warrants are also being issued on the basis of one for every two new shares subscribed. Each warrant can be converted into one new ordinary share at 66p in the three weeks following publication of the company's results for 1996.

The partial offers are for South Eastern Recovery Assured Homes, Fourth Roman Property Trust, Roman Recoveries and Midlands Residential Corporation. Following full acceptance, Pemberstone will hold less than 30 per cent but more than 29.9 per cent of the companies.

Pemberstone's strategy for the growth of its portfolio of rented residential property is to acquire companies which, principally, had been funded under the BES. It believes acquiring minority stakes fits its strategy.

The shares rose 4p to 60p.

International Tool slips

International Tool & Supply, the off-licence services group formerly known as New London, saw pre-tax profits fall from \$3.6m to \$2.9m (\$2,700,000) in the year to March. However, the fall is exaggerated by the sale of a subsidiary which contributed \$1.6m in the period against \$5.7m last time. After tax and minorities, retained profits were \$1.2m (\$2.8m). Sales advanced from \$33.5m to \$36.3m. Earnings per share fell from 2.2 cents to 0.9 cent.

Burford buys Grantchester stake

Burford Holdings, the property company, has acquired 25 per cent of Grantchester Group, the specialist retail warehouse development and investment company, for 55.8m.

Mr Nigel Wray, chairman of Burford and Mr Nick Lesiau, chief executive, will join the Grantchester board as non-executive directors.

Walker, Crips comes to market

Walker, Crips, Weddle, Beck, the private client stockbroker, is coming to the main market via a placing and intermediaries offer of up to 3.15m shares at 70p a share, which values it at 26.3m. The intermediaries offer closes on August 12.

Phillip Group, the Singapore stockbroker that has been a big shareholder since 1993, will subscribe for 300,000 shares so it will hold 33.3 per cent of the company. After the offer, Mr Larry Byford, chairman, will hold not less than 5.6 per cent, while Mr Michael Sunderland, chief executive, will hold 12 per cent.

In Brief

■ **HELICAL RETAIL**, the specialist retail property developer, has completed deals on three big retail and leisure projects to raise a total of £43.5m by pre-selling to tenants or forward funding with institutional investors.

■ **BUCKBY ESTATES** has agreed to sell the Tesco supermarket at Brighouse, West Yorkshire for £2.45m, realising a surplus of £260,000 over book value. The proceeds, payable in cash at completion, will go to increase its working capital. Following a recent lease renewal, the property sold produces a rental income of £210,000 a year.

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COMMODITIES AND AGRICULTURE

WEEK IN THE MARKETS Platinum price build on rally

Platinum prices built on their recent rally this week as a strike at an important South African mine was added to a string of comparatively minor factors supporting the market.

BASE METALS LONDON METAL EXCHANGE

therefore in gold's upside potential. The London billion market gold price ended the day at \$386.45 an ounce, down 5 cents on the day but still \$1.15 up on the week.

Precious Metals continued

Table with columns for Gold, Silver, Platinum, Palladium, and Lead prices and changes.

GRAINS AND OIL SEEDS

Table with columns for Wheat, Barley, Soyabean Meal, and Soyabean Oil prices and changes.

SOFTS

Table with columns for Cocoa, Coffee, and White Sugar prices and changes.

MEAT AND LIVESTOCK

Table with columns for Live Cattle, Live Hogs, and Pork Bellies prices and changes.

LONDON TRADED OPTIONS

Table showing various options for Aluminum, Copper, and Nickel.

ENERGY

Table showing prices for Crude Oil, Heating Oil, and Natural Gas.

PRECIOUS METALS

Table showing prices for Gold, Silver, and Platinum.

WORLD BOND PRICES

Table showing bond prices for various countries like Australia, Canada, and Germany.

MARKET REPORT

By Richard Waters in New York and Samer Iskander in London. US Treasury bonds jumped sharply yesterday morning as the latest monthly employment report from the Bureau of Labor Statistics reinforced a view that the Fed's monetary policy is not yet tight enough.

US INTEREST RATES

Table showing interest rates for Treasury Bills and Bonds.

BOND FUTURES AND OPTIONS

Table showing futures and options for French, German, and Italian bonds.

WEEKLY PRICE CHANGES

Table showing weekly price changes for various commodities like Gold, Silver, and Copper.

US TREASURY BOND PRICES

Table showing US Treasury bond prices for various maturities.

LONG DLTN FUTURES OPTIONS

Table showing long duration futures options for US Treasury bonds.

FT-ACTUARIES FIXED INTEREST INDICES

Table showing fixed interest indices for UK Gilts and US Treasuries.

UK GILTS PRICES

Table showing UK Gilts prices for various maturities.

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OTHER FIXED INTEREST

Table showing other fixed interest rates for various countries.

MARGINED CURRENCY DEALING

Table showing margin requirements for various currencies.

UK

Table showing UK market data and interest rates.

US

Table showing US market data and interest rates.

EURO

Table showing Euro market data and interest rates.

ASIA

Table showing Asia market data and interest rates.

AFRICA

Table showing Africa market data and interest rates.

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FINANCIAL TIMES

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Saturday August 3 1996

Managing US insecurities

The familiar mystery that surrounds the US deepened again this week. Why is there such a striking contrast between the country's rising economic prosperity and its sense of national insecurity? Why, when output, share prices and jobs have been rising steadily for five years, is there still a pervasive mood of diminished expectations?

The contrast was intensified this week, on the one hand, by yet more statistics showing the economy firmly on track. On the other, the national insecurity was highlighted both by the frenzy of anticipation that accompanied the bomb at the Atlanta Olympics and by President Bill Clinton's decision to accept a welfare reform bill that met few of the criteria he had earlier set.

The significance of welfare reform lies as much in the attitudes which gave rise to it as in the historic rupture it marks with the legacy of Roosevelt's New Deal. In its sweeping hostility to single mothers on welfare, the public mood brushes aside the details of how best to deal with today's poverty, and whether to do so at the federal or state level. Mr Clinton, whose instincts are for precisely that sort of policy debate, clearly felt this was not a time to indulge them. Even a president/candidate blessed by a weak opponent and strong polling figures cannot ignore the fretful national mood.

Friday's employment figures provide, among the evidence of sustainable growth, a glimmer of an explanation for public insecurities. Average hourly earnings fell 0.2 per cent in July, even though employment continued to rise. Recent performance has been slightly better - there was a noticeable rise in hourly average earnings in June, for example - but in real terms earnings are still lower than they were when the recovery started in 1991, and well below the levels touched in the early 1970s.

Rising wages
In his comments on the current state of the economy, as in his decision to sign the welfare bill, Mr Clinton caught the public mood. "What I was worried about," he said on Friday, "was that we wouldn't be able to get wages going up again even though jobs were being created. Now wages are finally beginning to rise and at this point there is no evidence that there's an inflationary problem."

The markets agreed with him about inflation: the Friday figures were taken, in one of those lightning changes of mood, as a clear

indication that there would be, after all, no rise in short-term interest rates at the Federal Reserve's open market committee meeting set for August 20. They seemed to be less confident that rising wages could happily co-exist with stable prices. Indeed, several economists pointed to the drop in earnings as the most significant indicator that inflationary pressures were now under control. Overall economic prosperity thus goes hand in hand with a sense that individual earnings - or at least, the predictability and security of those earnings - are under threat. One outlet is the witch-hunt against welfare mothers. A second, perhaps more healthy, is the rush into mutual-fund investing, which has taken the number of individual accounts to more than 75m.

Bull market
This American state of mind raises a number of issues for investors and voters in the rest of the world. For example, just how great would be the revision in public mood if the bull market were to go into reverse? Managing America's insecurities is difficult even when the underlying economic climate is benign. It would prove more challenging still if the weather turned foul.

Big US companies are already unpopular over such concerns as bonuses for top executives, and successive waves of downsizing. If they lost their appeal as a source of investment income, they might prove much more vulnerable to political disaffection.

More broadly, is the US mood essentially a local factor, or is it one of those American trends which spreads relentlessly round the world? If the former, the state of mind of the American public is something for diplomats and large-scale investors to ponder, but of little wider significance. If the latter, it is a harbinger of a worldwide swing away from arrangements for collective support and towards individual families' own self-reliance.

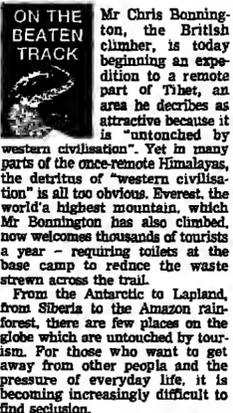
The answer is already partly clear: the inexorable force of demography in all developed countries points in the second direction. But the US example shows that the mood of the journey is as important as the destination. Despite this week's solid economic news, the mood of America remains troubled. That is a source of concern for those who rely on the US as a political and economic partner. It is also a worrying example for those other societies faced with undertaking the shift towards self-reliance in far less favourable economic conditions.

Wish you weren't here

Even the most remote places on the planet have felt the effects of mass tourism, say Scheherazade Daneshkhu and Robert Chote

ON THE BEATEN TRACK

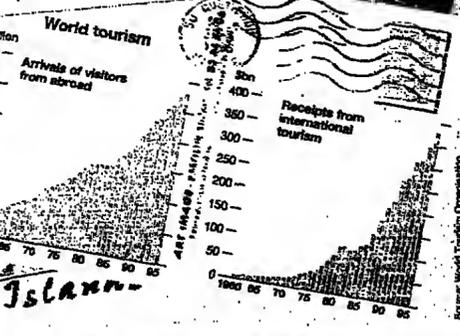
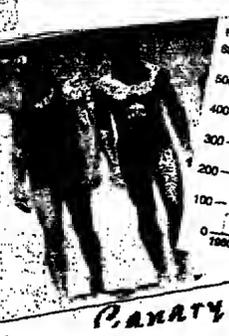
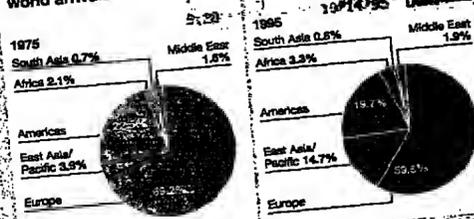
Mr Chris Bonnington, the British climber, is today beginning an expedition to a remote part of Tibet, an area he describes as attractive because it is "untouched by western civilisation". Yet in many parts of the once-remote Himalayas, the detritus of "western civilisation" is all too obvious. Everest, the world's highest mountain, which Mr Bonnington has also climbed, now welcomes thousands of tourists a year - requiring toilets at the base camp to reduce the waste stream across the trail.



Top 10 destinations



Share of world arrivals



beaten track are an example of what the economist Fred Hirsch dubbed a "positional good". A well-off couple may feel that holidaying together on an unspoilt Caribbean island symbolises their elevated position in society. But as more people follow in their footsteps it becomes progressively less attractive.

The essential problem is that the supply of a positional good is fixed - there is a limit to the amount of deserted beach which any island can offer. The unspoilt gets spoilt as hotels and casinos are erected, golf courses scar the landscape and roads are bulldozed through areas of natural beauty to cope with huge tourist coaches.

logical dimension. The upmarket travellers may become disenchanted simply because their destination loses its exclusivity as the riff-raff follow in their wake. As W.S. Gilbert, the Victorian librettist, put it in *Iolanthe*: "When everyone is somebody, no-one is anybody."

They may soon follow in the footsteps of the backpackers, who have already decamped to commune with the hilltribes of Laos and Yunnan in China.

But the chances of continually finding new unspoilt destinations is low - especially given the growing numbers of people expected to travel. The number of tourists travelling internationally is expected to almost double by 2010, to more than 1bn tourists each year, according to forecasts from the World Tourism Organisation.

The countries of east Asia and the Pacific rim have seen the fastest growth in the number of foreign tourists visiting them over the past decade. Much of this is due to the enormous increase in tourism between countries in the region as average incomes have risen.

But last year the highest growth was recorded in the Middle East and south Asia. Visits to Egypt in the former and India in the latter have grown particularly fast.

There is little doubt that tourism can bring enormous economic benefits to countries. In Spain, for example, it is the country's single biggest revenue earner and employer. For many countries, particularly in the developing world, tourism is an ideal source of job creation and wealth, if managed properly.

But sustainability - the maintenance of a balance between running tourism at a profit but not at the expense of natural resources - has become a buzzword in the industry.

"Countries have to think actively about what role tourism can play for them and to plan for it," says Mr Martin Brackenhury, president of the International Federation of Tour Operators. "Governments must enforce stricter planning policies to regulate building heights and design, and use zoning measures to designate those areas where development may take place and others which must be conserved, possibly as national parks."

The authorities in many of the world's emerging destinations are becoming better at managing the environmental and economic impact of their foreign visitors, according to Mr Forsyth of the LSE.

For example, Bhutan, sandwiched between India and China, charges visitors £150 a day which raises revenue and reduces numbers. It thus limits environmental degradation and maintains the exclusivity which makes the country a positional good to well-off "adventurers".

"Sustainability is important because a tourist destination depends upon the attractiveness of its physical surroundings," says Mr Brackenhury. "Tourists will not go to places which are polluted and where the landscape has been lost. The end of environment is the end of tourism."

Further articles in this series on places changed by mass tourism will appear throughout August

LETTERS TO THE EDITOR

Number One Southwark Bridge, London SE1 9HL

We are keen to encourage letters from readers around the world. Letters may be faxed to +44 171-873 5938 (please set fax to 'line'), e-mail: letters.editor@ft.com. Translation may be available for letters written in the main international languages. Published letters are also available on the FT web site: <http://www.ft.com>

Polish camps

From Mr Michael Costello.
Sir, Mr Jarek Porejski (Letters, August 2) says there was no such thing as a Polish concentration camp. This requires adjustment. There were concentration camps in pre-second world war Poland (as afterwards). For instance, the Bereza Kartuzka concentration camp for Ukrainian nationalists, communists, socialists and others whose political activities were banned by the then Polish government. Conditions in Bereza Kartuzka were more than severe: starvation, regular and arbitrary beatings and the other refinements associated with such camps under all regimes.

Michael Costello, 41 Lower Pant Road, Maidstone, Kent ME16 6DP, UK

Gold secreted in Switzerland should be put to genuinely humanitarian use

From Mr Andrew Simms.
Sir, Re your article "Gold sales elude G7" (July 29), and subsequent national coverage of secreted Nazi gold in Swiss bank vaults: there is a way, if the gold could be traced, for the international community to save face. The proposal to sell International Monetary Fund gold reserves to finance debt relief for the poorest heavily indebted countries is still far from agreement. In addition, the proposal has, in any case, been led astray and directed towards refinancing the Fund's poorly used soft loan facility. East, rather than being used for straightforward debt cancellation. At the same time, while many of the former allies seem to have benefited from the quietly stowed profits of the Third Reich, it is very

doubtful whether anyone in genuine need has gained from the looted riches. If the G7 - and Switzerland and Germany in particular - find it so difficult to agree the sale of dormant IMF gold reserves to alleviate crippling debts, there would be poetic justice in putting old Nazi gold to a genuinely humanitarian use. Lift the debts of people in the poorest developing countries living in absolute poverty would be one such appropriate use. The real issue for the poorest countries is that there should be a source of money for reducing their stock of debt - the proposed trust fund - and not that the IMF should merely give new loans for old debts. So far only the World Bank has agreed to pay into the trust fund. And even that is dependent on contributions and involvement from

bilateral creditors and the IMF. The level of the disputed IMF gold sale is not far off the reported value of the wartime German gold - between £800m and £1.7bn. Such funds would avoid misdirection by any multilateral agency and could, by international agreement, be spent directly on debt relief for the poorest. The poorest countries face an unacceptable drain on resources through servicing unpayable debts, at a time when investing in people for human development is a generally agreed priority. There could be few better or more useful ways to spend this money.

Andrew Simms, Christian Aid, PO Box 100, London SE1 7ET, UK

VW idle threat

From Mr Vic Heylen.
Sir, Volkswagen's threat to put a hold on its investment in Saxony if it does not get DM241m (€163m) in state aid says little about the company's strategic consistency ("Brussels fury over cash for VW", July 31). Either it needs the extra capacity or it does not. Important strategic decisions should not depend on whether it gets state aid or not. Volkswagen's threat to move the investment to eastern Europe is also an idle threat. The buildings for the new plant are ready and some of the equipment is already in place. The truth is the plant is a white elephant which was conceived in the pre-1993 boom years. At a time of overcapacity in the European car industry there seems little reason to keep the animal alive with public money.

Vic Heylen, managing director, Analyse Auto, Mechelse Stw. 12, 2000 Antwerp, Belgium

Misunderstanding of the subtleties of football and rugby financing

From Mr Anthony Austin.
Sir, Your references to Newcastle United's "gamble" in buying Alan Shearer for £15m from Blackburn ("One in £15m", July 30) displayed an alarming ignorance of the laws of football finance, or socceromics. These state that:
● For a club which has been in the doldrums for decades, no price is too high to achieve success.
● A schoolboy once caught up in the full-blooded roar from the terraces is trapped for life. Boy and man, he is fated to throw good money after bad following his team in defiance of economic logic.
● Home-town players who return successful are more welcome than prodigal sons, and worth more than foreign stars.

● Add any percentage to the transfer figure if it means stealing a march on rival north-east or trans-Pennine clubs.
● Asian assembly-plant executives will pay over the odds for hospitality boxes at a successful English soccer club. Footnote: these laws are subject to revision if a major trophy continues to elude. Even the most generous benefactor needs a feelfood return.

argument for England getting more money from the sale of television rights to their rugby games has nothing to do with future or past performance but everything to do with the number and location of viewers watching games (for some reason France has always had the right to negotiate its own television rights, a right which Scotland, Wales and Ireland are trying to deny the English). England is due more money because it provides the majority of viewers watching a rugby international featuring England.

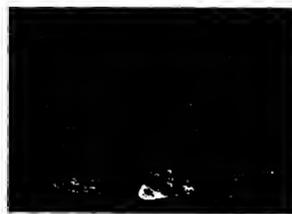
greater enlightenment why have the "other nations" not changed their ways? As an Englishman proud to have 50 per cent Scottish blood I suggest that an annual "arrogance" competition along the lines of the Five Nations would produce a series of dishonourable draws between the English and the Scots with both countries coming a distant second to France. But at least the English would have the consolation of not realising why they were in the competition in the first place.

Long time to act

From Mr Stanley Crossick.
Sir, A US State Department spokesman on Tuesday urged European governments to understand the emotions felt by Cuban Americans and others who had had their assets in Cuba nationalised. Why, then, has it taken more than 35 years for the US itself to act?

Stanley Crossick, Belmont European Policy Centre, 42 Boulevard Charlemagne, B-1040 Brussels, Belgium

Anthony Austin, 7 Knole Road, Sevenoaks, Kent TN13 3XH, UK
From Mr Paul G. Byard.
Sir, Contrary to Mr Ian Smith's assertion (Letters, August 1) the



ROUND THE ISLAND



ON THE ROCKS

COPEL WEEK	5-10 August
EVIS COPPELLA TONY MATCH & FESTIVAL, HEARNINGLEY	6-10 August
EDINBURGH INTERNATIONAL FESTIVAL	11-13 August
SLE COY DEBY, FLEETWOOD	15-18 August
DALTONS PARK HORSE TRIALS	21 August - 1 September
DUNDEE BRITISH HAYRDS, COLLECTIVE	6-7 September
THE ROYAL HIGHLANDS GAMES OF BRASSIE	7 September
BY LASSIE STAIRS, DONCASTER	14 September
LAST NIGHT OF THE PHOENIX, ROYAL ALBERT HALL	14 September
LE FESTIVAL AND QUAT' Saisons, GREAT MILTON	1-3 October

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Man in the News • Billy Payne

The end of a golden dream

Peter Aspden on the Olympic organiser under fire for excessive commercialism

Billy Payne may be pardoned if some of the buoyancy is missing from his traditionally jaunty stride as the Centennial Olympic Games draw to a close in Atlanta this weekend. As the man who brought the games to Atlanta, the hyperactive visionary with a "crazy dream" of showing the world what his city could do has had a rude awakening.

By the end of the first week of the games, Mr Payne, 48, was already wearing a harassed air as the nagging glitches with the computer and transport systems showed a stubborn refusal to resolve themselves. But in the early hours of last Saturday morning, Mr Payne received the call that a bomb had exploded in Centennial Olympic Park, leaving two dead and more than 100 injured.

Mr Payne has rallied since the explosion, urging the people of Atlanta to pull together and re-discover their Olympic spirit. The corny language comes easily to him; and the crowds in the city and at the various sporting venues have responded to his prompting. But Mr Payne now knows the Atlanta Games will be remembered as much for a single act of terrorism as for the sporting triumphs on offer.

According to the Billy Payne mythology, his dream came to

him during a night in 1987, following the conclusion of a successful fundraising campaign for his church. He was looking for a way to "build the experience" of "community again", and bringing the Centennial Games to Atlanta was the way to do it.

From a relatively modest and sport-loving background - his father was life insurance salesman - he had become a moderately well-known lawyer. More important, the former college football star had the energy and ability to cultivate important contacts to get the campaign rolling.

First, he enlisted the aid of the city's most important companies, notably Coca-Cola, the Atlanta-based US soft drinks group, in the early days of his campaign. Then he signed up Mr Andrew Young, the former mayor, who was US ambassador to the United Nations during the presidency of Mr Jimmy Carter. Mr Young's endorsement was important in influencing International Olympic Committee members.

Mr Payne had no significant managerial experience. Nor did his career suggest that he could raise the \$1.5bn to put on the games. But his dynamism and disingenuous charm worked its magic on the sophisticated sporting diplomats on the International Olympic Committee.

He persuaded them to come to Atlanta on two grounds. The first was that the city's peerless modern infrastructure would enable the event to run smoothly. This was a chiding argument against traffic-jammed Athens.

The second winning argument was that the city's positive outlook, its entrepreneurial zest, would establish the vibrant atmosphere required for such a historic occasion, as well as the financial support. Mr Payne lined up 10 leading sponsors willing to support the Games to the tune of \$40m each - and then established two extra tiers of smaller sponsors to further swell revenues. He went from talking of the "most important event in the

history of Atlanta, Georgia" to "the most important peacetime event of the 20th century". It was certainly one of the greatest marketing exercises.

Such rhetorical excesses came back to haunt Mr Payne, when the logistical problems emerged in the first few days of the games. The organisation failed on its most basic aspects of running the games: the buses would not run on time, became lost or stuck in traffic jams; the computer system devised by International Business Machines for getting results to the world was not working properly.

He shrugged these off as "teething troubles" but they shocked many Americans: this was not what was supposed to happen - nor had it happened at the 1984 Los Angeles Olympics. Also taken aback were senior figures from the international Olympic Committee, who discovered the city's centre had been transformed into a maze of tawdry vending stalls. The streets took on a down-market appearance,

where you could buy everything from cheap coffee cups to "naked aprons".

Mr Payne robustly replied that it was only right to give small businesses a chance to make money from the games. But the general air of tackiness, combined with the persisting glitches, prompted Mr Juan Antonio Samaranch, the IOC president, to summon Mr Payne and Mr Bill Campbell, Atlanta's mayor, on the first Sunday of the games. He warned them that if things did not improve within 48 hours, Atlanta's image would be tarnished forever.

The IOC, under heavy criticism for succumbing to the commercial muscle which Mr Payne had wielded so skilfully, was annoyed that the image of the Games was suffering in this way. Having made a great deal, as usual, of its traditional refusal to allow sponsors' advertising inside the games venues, it was horrified that the most crass examples of exploitation bombarded the eyes outside those venues.

The second week of the Games was full of superb sporting moments, most notably Michael Johnson's world record 200m sprint. But it was inevitably overshadowed by the bomb which set the city on edge. Mr Payne made numerous appearances on television and at press conferences, making all the right noises about not surrendering to madness and the need for people to get on with their lives. But he has appeared subdued, not at all the bullish figure who boasted confidently that his city would mount the most successful Olympics of all time.

The final balance sheet for the Atlanta Games will not be known until autumn. It is thought there will be a profit, though not as high as first forecast. But the IOC has a different balance sheet to consider: have the games become too commercialised? Unlike Los Angeles, which made a profit of more than \$200m, Atlanta was unable to make people forget the dollar signs and concentrate on the sport.

The IOC has already decided the games will never again be funded entirely from private sources. For the zealous guardians of the Olympic image, Billy Payne's dream was in the end too transparent, and too crudely executed, to be good for a movement in which ideals still count.



Clock ticks on buried Jewish treasure

Mr Paul Volcker, the former chairman of the US Federal Reserve Board, is no stranger to tricky situations. Nevertheless there will be surprise among his fellow central bankers that at the age of 68 he is about to take on his toughest assignment since he helped defuse the third world debt crisis more than a decade ago.

He is to chair an international committee charged with investigating whether Swiss banks are still hiding large sums of money due to victims of the Nazi Holocaust. Switzerland has come under increasing pressure in recent years over allegations that its banks hold large amounts of money belonging to Jews who died during the second world war.

Swiss banks hope an independent committee on assets stolen by Nazis will resolve the issue, says William Hall

avoided owes a lot to the behind-the-scenes diplomatic skills of Mr Hans Baer, 68, a Jew and former chairman of his family's private bank in Zurich. He flew to New York twice for secret meetings with Mr Singer. "I was doing the heating up, and he was doing the resolving," says Mr Singer.

The meetings led to the signing on May 2 of a memorandum of understanding between the bankers' association and various Jewish organisations led by Mr Edgar Bronfman, 67, head of the Seagram drinks giant and chairman of the World Jewish Congress. The agreement sets up a committee of six eminent people - three from each side - who will oversee the work of an international firm of auditors which has been promised "unfettered access" to all relevant files in Swiss banks. They will investigate dormant bank accounts and other assets and financial instruments deposited before, during, and immediately after the second world war.

However, the agreement goes much further in requiring the two sides to "co-operate to assure that the Swiss government will deal with the question of looted assets in Swiss banks or other institutions which were not reported or returned". This will take the investigation into the role Swiss financial institutions are alleged to have played in concealing assets plundered by the Nazis from the countries they occupied.

Mr Singer's researchers have been sifting through more than 15,000 files recently declassified as a result of pressure from the US Senate Banking committee chaired by Mr Alfonse D'Amato, the New York senator. The files - which include archives of the Stasi, the former East German secret police - are expected to throw light on events such as SS boss Heinrich Himmler's decision to guarantee the freedom of 13,000 Hungarian Jews in 1945. The shipments of gold, diamonds,



foreign currency and paintings taken as payment by Himmler have yet to be traced.

Mr Baer insists that most of the information coming out is already "extremely well known" by anyone who has bothered to read the history of the period. But the Swiss government is worried about the damage to the country's international image if the Swiss banks and the Swiss National Bank are found to have been involved in laundering such transactions.

Switzerland knows that Austria's

international reputation was damaged when details emerged of the wartime record of Mr Kurt Waldheim, the country's president and former UN secretary-general. At the height of the Waldheim affair, Mr Bronfman, for example, lobbied hard against Austrian membership of the European Union "until it faced its past". For a country like Switzerland - already trying to shake off its image as a safe haven for shady money - a similar campaign could make it harder to forge closer ties with the EU.

Last year the Swiss government for the first time apologised for its treatment of Jewish refugees during the war. And less than a week after the signing of the agreement setting up the new investigation, Mr Kaspar Villiger, who served as Switzerland's president last year, reached agreement with the World Jewish Congress on legislation to help the inquiry. This will facilitate a thorough legal and historical investigation and scientific study of the extent and fate of Jewish assets in Switzerland between 1933 and 1945.

Mr Volcker's role in the investigation will be critical. He has on his committee Professor Curt Gasteyger, a Swiss historian, Mr Alain Hirsch, an expert on securities and accounting, and Mr Klaus Jacobi, a former Swiss ambassador to the US. Mr Avraham Burg, chairman of the Jewish Agency, Mr Renben Beraia, chairman of the Latin American Jewish Congress, and Mr Ronald Lauder of the Esée Landis cosmetics family, represent the Jewish side. Mr Volcker, the only man on the committee without a vested interest, will have the casting vote.

Mr Baer believes the committee's priorities will be to decide issues such as the definition of dormant accounts, the matching of claims to assets, and how to decide which accounts are "Jewish". He argues that Swiss banks have been "harshly criticised" and see the problem primarily in public relations terms. If the PR had been handled better, Switzerland, and its banks, would not now be standing in the dock.

But Mr Singer believes the Swiss are panic-stricken, and are finally starting to try to put to rest issues which should have been sorted out decades ago. He is keen for the committee to look into the wider question of looted assets which may have been transferred to Swiss banks and the Swiss National Bank. "I want to see lists of transfers. I want to see where the banks sent the funds," says Mr Singer.

Under Mr Lukashenko's reign, Belarus has even reverted to the trigger-happy antagonism towards the west which characterised the cold war. Last September two American pilots were killed when their balloon strayed into Belarusian airspace and they were shot down by border guards.

Minsk remains unrepentant. The president, a former collective farm boss who dreams that one day he will be leader of all the eastern Slavs, also has a penchant for cold war era intrigues. He periodically accuses his critics in the press and parliament of working for the US Central Intelligence Agency.

And he has been adept at using his regime's monopoly over radio and television stations to boost his personal support. Mr Lukashenko is the nation's most popular politician with a public approval rating of 40 per cent.

The president's ability to cast a spell over his traditionally docile people has been enhanced by the country's weak sense of national identity. Belarus has only the shakiest claim to a history as an independent state. The country's language - similar to other eastern Slavic languages such as Ukrainian and Russian - had all but died out until it was revived when Belarus unexpectedly found itself independent in 1991.

Mr Lukashenko has played on this national weakness by promising to reunite his country with Russia, a pledge which goes down well with its people still yearning for the security of the Soviet Union. At a glittering ceremony in Moscow in April, he exchanged kisses and vodka toasts with Mr Yeltsin after formulating a "political and economic union" between their states.

To crown these achievements, Mr Lukashenko is now demanding constitutional amendments to extend his term in office from five to seven years and enhance his control over the parliament and constitutional court. It is this prospect that has

One docile Slavic nation is sliding back to Soviet-style dictatorship, warns Chrystia Freeland

When a harvest brings home the bad old days

When Mr Boris Yeltsin, the Russian president, resoundingly defeated his communist rival in last month's presidential poll, his victory was celebrated as a final defeat for the totalitarian Bolshevik ideology.

But while Moscow toasts the death of communism, a Soviet-style dictatorship is being resurrected in nearby Minsk, capital of Belarus, the small slavik state that bugs Russia's western flank.

Earlier this week, two of the leaders of the opposition Belarusan National Front sought political asylum in the US saying they risked murder or imprisonment if they returned home. Their political flight is the most recent evidence of the steady slide towards dictatorship since the state of 10m people elected Mr Alexander Lukashenko as president in July 1994.

"You should never underestimate Lukashenko," says one official. "The political landscape of Belarus is littered with people who underestimated the president."

Mr Lukashenko has spent the two years since his surprise election victory retrieving the symbols and practices of the Soviet era discarded by the country's first post-communist administration. The republic's Soviet-era flag, complete with hammer and sickle, has been restored as the nation's official emblem and Russian, the lingua franca of the USSR, has again forced out the Belarusan tongue as the country's official language.

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Lukashenko: penchant for intrigue

united Belarus's traditionally weak and divided opposition parties, ranging from the National Front to the communists.

Seven parties have signed a joint declaration denouncing the president's plans. And last Saturday, on the sixth anniversary of Belarus's declaration of independence, thousands of protesters gathered in Minsk to hear speakers accuse the president of trying to establish "a totalitarian regime".

"We must defend Belarus against dictatorship and prevent it from becoming a police state or a banana republic," said Mr Stanislau Bahdankevich, a respected former head of the central bank who now leads Civic Action, a reformist opposition party. "We are now united. It is Lukashenko who united us through his excesses and blatant violations of the law."

Mr Lukashenko promptly banned all public rallies, on the grounds that during the harvest season "everyone must work instead of organising campaigns to remove the president". At a televised government meeting he informed that nation that he intended to serve at least two more terms as president, and warned opponents that "should anyone try to remove me, I would remove him first, even while he is just thinking about it".

Such crude outbursts are typical of a man who has threatened to deploy missiles against the west and praised Hitler. But western diplomats in Minsk have long warned that the Belarusan leader is a far sharper politician than he may sometimes seem.

If parliament refuses to endorse his "totalitarian" constitution, he plans to put it to a national referendum. And even as they accuse the president of violating democratic norms, many of Belarus's dejected opposition politicians concede that the president is likely to win such a vote.

This descent into authoritarianism could become a major embarrassment for Mr Yeltsin. His alliance with the Belarusan leader strengthened his hand in fighting a communist rival who promised to bring back the Soviet Union. But the friendship has drawn strong criticism from Russia's democratic politicians, who accuse Mr Yeltsin of propping up Mr Lukashenko's regime with his public political support and the subsidised energy Belarus continues to receive from its wealthier neighbour.

Both presidents claim a union between their two states has been preordained by their deep cultural, religious and historic ties. The next few months will show which is more powerful: their shared Slavic brotherhood, or political philosophies which appear to be on a collision course.

Leasing is uncharted territory for the fast-growing bus and train company, argues Bernard Gray

On a hot July afternoon in 1982, in the midst of another interminable train drivers' strike, a crowd of people desperate to get to London milled around Glasgow's bus station.

There were no departing coaches listed, but late in the day a rumour swirled round that a privateer "Stagecoach" would stop at 11pm on its way from Perth to London. Exactly on time a mysterious bus pulled in from the gloaming - but it was full and so departed quickly, leaving the disappointed group to trudge back to hotel rooms.

That coach was one of only two then operated by the obscure Perth-based company, Stagecoach.

Demand for the company's services has increased dramatically in the intervening years, and not always because the rail drivers' union was so obliging. Through a mixture of savvy acquisitions and ruthless market tactics Stagecoach has gone on to capture almost 30 per cent of Britain's bus routes, run a large slice of the trains in southern England, and this week buy almost a third of the country's railway rolling stock.

Such explosive growth has made some observers nervous, since the story of companies which grow so fast usually ends with something resembling the fifth act of Hamlet. The nervous complaint is not improved by the fact that Stagecoach's latest foray has taken it into leasing - a dark mystery which has claimed the lives of giants such as GPT Aviation, the aircraft leasing group, and British and Commonwealth, the financial services conglomerate.

If observers are worried, the stock

Stagecoach's magical mystery tour

market is not. Stagecoach's shares have risen 371 per cent since the company was floated in 1993, outperforming the market by almost a factor of three.

Wednesday's agreed purchase of rolling stock company Porterbrook cost a total of \$220m, but Stagecoach's shares rose 5p this week to close at 523p, near their all-time high.

That soaring stock price has made Stagecoach's sibling founders into fully signed-up members of Scotland's super-rich. Mr Brian Souter, the company's chairman, has more than 32m Stagecoach shares, worth about £168m last night, while his sister Mrs Ann Gloag, another board member, has almost 27m shares worth £141m. Mrs Gloag now lives in some comfort at Beaufort Castle, the ancient seat of the Frasers of Lovat.

But how safe are those fortunes, and how secure is the money of other investors in this two-coach-turned-£500m company?

Much of the concern which surrounded acquisitive go-getting companies in the 1990s was focused on the artful use of accounting to flatter profits. Judging by published financial information, however, Stagecoach is not guilty of the traditional crime of immediately writing off the stocks and assets of companies it has acquired, only for the full value of these items to



have simply profited from the aggregation of the industry into more viable patches, which are also largely local monopolies.

Stagecoach's aggressive tactics of driving smaller competitors off the road have come in for a lot of criticism. But from a financial perspective it is hard to fault the company's single-minded determination to wring profits out of its bus business.

The company's early foray into rail privatisation has a similar feel. It acquired the franchise for South West Trains, which operates from Waterloo, for £1 and there is scope to cut costs and boost margins even though the rail unions will be a tougher nut to crack than the bus drivers.

This week's departure into leasing is a different matter, however. Borrowings to fund the deal mean that net debt will have risen alarmingly, from £127m before the acquisition of Porterbrook to £377m if the full debt associated with the acquisition is included. This is mitigated by the strong cash flow of other parts of the business and by the government-guaranteed income from the leases, but still increases the company's obligations substantially.

The valuation of Porterbrook's business is also critically dependent on what the company's rolling stock is worth when it is returned

at the end of its seven-year lease: something only the foolhardy would try to assess with any confidence.

Of more concern is the fact that Stagecoach now intends to plunge further into an unknown area of leasing by buying new trains to lease out as replacements for ageing stock. This is a very different creature from the comparatively simple business of running buses.

The risks to Stagecoach's phenomenal, if controversial, success come from the high level of debt it has taken on. This creates inflexibility if the company has to deal with rising interest rates, a recession or price-caps imposed by an unsympathetic government.

Stagecoach's management, charged with the adrenalin of success, is also taking on a huge variety of new businesses; its shotgun approach to bidding for all the rail franchises for example, hardly encourages the impression of selectivity. Even its admiring competitors point to the recent lack of progress on buses as senior managers have focused on trains. They wonder if the company is not trying to run too fast.

"We are aware of the management issues," says Mr Keith Cochran, finance director. "But we are confident that we are focusing on two businesses we know well - buses and the complex business of leasing itself poses a risk to Stagecoach, given the uncharted nature of the market. Despite the worries of observers, it is not what Stagecoach did yesterday which is the real cause of concern. It is what it may do tomorrow which should trouble those of a nervous disposition."

CURRENCIES AND MONEY

MARKETS REPORT

Dollar pauses

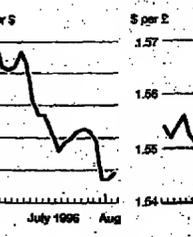
By Philip Gawth

Currency markets had a fairly quiet day yesterday after a softer than expected US employment report confirmed a benign inflation environment, helping allay fears of an early rise in US interest rates. This allowed the dollar to finish the week on a slightly firmer note, although the outlook remains more uncertain than it was a few weeks ago. The dollar's fragile state was underlined by the Bank of Japan intervening to support it - the first such example for a number of months. The dollar was helped by the strong performance of US asset markets, buoyed by the expectation that interest rates were likely to remain at current levels longer than originally expected. It closed in London at DM1.4779, from DM1.4736. Against the yen it finished at Y106.945, from Y106.755.

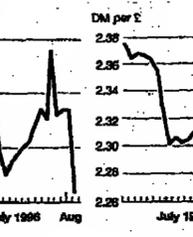
Dollar



Sterling



D-Mark



The big loser on the day was sterling, which suffered most of its losses overnight in Asia. The trade weighted index finished at 84.1, having opened at 84.2, down from 84.7 on Thursday. Against the D-Mark it closed at DM2.2738, from DM2.2946. Against the dollar it finished at \$1.5423, from \$1.5572.

Markets were fairly quiet in the run-up to the employment report on New York. August 2 - Last - Prev. close - 2 spot 1.5429 1.5530 1 mth 1.5416 1.5523 3 mth 1.5412 1.5524 1y 1.5408 1.5537

breath after a report whose message was "don't worry about inflation right now." Until recently the balance of opinion favoured the Fed raising rates at its meeting later this month. Now, following the NAPM and employment report, Mr Jukes said "the earliest they could be expected to tighten, if they do, is November/December."

clearly trying to discourage these flows. If Mars had a currency, it would probably be getting stronger." Mr Jim O'Neill, chief currency economist at Goldman Sachs in London, said with the inflation bogey having been scotched, attention was now likely to shift to the US trade figures, which are released on August 20. The deterioration in the US's trade performance is a key factor behind his downgrading his six month dollar forecast to Y106, from Y116. Mr O'Neill said that with US

WORLD INTEREST RATES

Table with columns: Money Rates, August 2, One month, Three months, Six months, One year, Lend. rate, Dis. rate, Best bid.

Table with columns: Euro Currency Interest Rates, August 2, Short term, 7 days notice, One month, Three months, Six months, One year.

POUND SPOT FORWARD AGAINST THE POUND

Table with columns: Aug 2, Closing mid-point, Change on day, Bid/Offer spread, Days' bid low, One month Rate %PA, Three months Rate %PA, One year Rate %PA, Bank of England Index.

DOLLAR SPOT FORWARD AGAINST THE DOLLAR

Table with columns: Aug 2, Closing mid-point, Change on day, Bid/Offer spread, Days' bid low, One month Rate %PA, Three months Rate %PA, One year Rate %PA, JP Morgan Index.

CROSS RATES AND DERIVATIVES

Table with columns: Exchange Cross Rates, Aug 2, Bid, Offer, FF, DM, K, J, F, Nkr, Sfr, C\$, S\$, Yen, Ecu.

EUROPEAN CURRENCY UNIT RATES

Table with columns: Aug 2, Ecu unit, Rate against Ecu, Change on day, % chg on day, % ahead, % behind, Dr, %.

UK INTEREST RATES

Table with columns: London Money Rates, Aug 2, Over-night, 7 days notice, One month, Three months, Six months, One year.

BASE LENDING RATES

Table with columns: Bank of England, Bank of Ireland, Bank of Scotland, Bank of Wales, Bank of Cyprus, Bank of Greece, Bank of Spain, Bank of Portugal, Bank of France, Bank of Italy, Bank of Germany, Bank of Netherlands, Bank of Belgium, Bank of Luxembourg, Bank of Switzerland, Bank of Austria, Bank of Denmark, Bank of Norway, Bank of Sweden, Bank of Finland, Bank of Iceland, Bank of Ireland, Bank of Cyprus, Bank of Greece, Bank of Spain, Bank of Portugal, Bank of France, Bank of Italy, Bank of Germany, Bank of Netherlands, Bank of Belgium, Bank of Luxembourg, Bank of Switzerland, Bank of Austria, Bank of Denmark, Bank of Norway, Bank of Sweden, Bank of Finland, Bank of Iceland.

EURO CURRENCY INTEREST RATES

Table with columns: Aug 2, Short term, 7 days notice, One month, Three months, Six months, One year.

THREE MONTH EURO FUTURES (MATE)

Table with columns: Sep, Oct, Nov, Dec, Jan, Feb, Mar, Apr, May, Jun, Jul, Aug, Sep.

THREE MONTH EURO MARK FUTURES (LFFE)

Table with columns: Sep, Oct, Nov, Dec, Jan, Feb, Mar, Apr, May, Jun, Jul, Aug, Sep.

THREE MONTH EURO DOLLAR FUTURES (LFE)

Table with columns: Sep, Oct, Nov, Dec, Jan, Feb, Mar, Apr, May, Jun, Jul, Aug, Sep.

THREE MONTH EURO SWISS FRANC FUTURES (LFE)

Table with columns: Sep, Oct, Nov, Dec, Jan, Feb, Mar, Apr, May, Jun, Jul, Aug, Sep.

THREE MONTH EURO DOLLAR (M)

Table with columns: Sep, Oct, Nov, Dec, Jan, Feb, Mar, Apr, May, Jun, Jul, Aug, Sep.

US TREASURY BILL FUTURES (M)

Table with columns: Sep, Oct, Nov, Dec, Jan, Feb, Mar, Apr, May, Jun, Jul, Aug, Sep.

BENCHMARK OPTIONS (LFFE)

Table with columns: Strike Price, Aug, Sep, Oct, Nov, Dec, Jan, Feb, Mar, Apr, May, Jun, Jul, Aug, Sep.

PHILIPPINE PESO (P) VS US DOLLAR (USD)

Table with columns: Open, Latest, Change, High, Low, Est. vol, Open Int.

THREE MONTH STERLING FUTURES (LFFE)

Table with columns: Sep, Oct, Nov, Dec, Jan, Feb, Mar, Apr, May, Jun, Jul, Aug, Sep.

SWISS FRANC FUTURES (M)

Table with columns: Sep, Oct, Nov, Dec, Jan, Feb, Mar, Apr, May, Jun, Jul, Aug, Sep.

THREE MONTH EURO DOLLAR (M)

Table with columns: Sep, Oct, Nov, Dec, Jan, Feb, Mar, Apr, May, Jun, Jul, Aug, Sep.

UK CLOSING BANK OFFERING RATE

UK closing bank offering rate 5% per cent from June 6, 1996

EURO DOLLAR OPTIONS (LFE)

Table with columns: Strike Price, Sep, Oct, Nov, Dec, Jan, Feb, Mar, Apr, May, Jun, Jul, Aug, Sep.

OTHER CURRENCIES

Table with columns: Aug 2, C, S, Yen, Ecu.

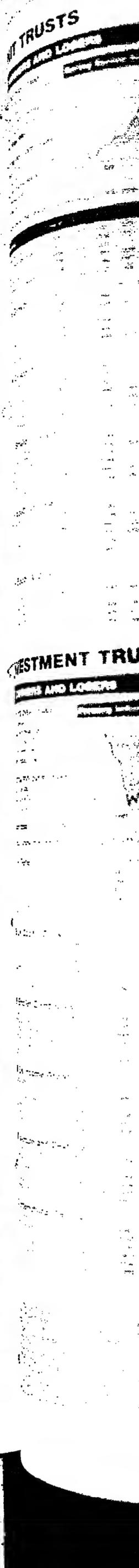
FT GUIDE TO WORLD CURRENCIES

The FT Guide to World Currencies (2000) can be found in Monday's edition.

Advertisement for Asia Pacific surveys, including text: 'Forthcoming Surveys Asia Pacific', 'Power in Asia', 'New Zealand', 'Thailand', 'Taiwan', 'Vietnam', 'Malaysia', 'Australia', 'Indonesia', 'China'.

Advertisement for Market-Eye, including text: 'Market-Eye', 'FREEPHONE 0800 321 321', 'Futures & Options from \$32 ROUND TURN'.

Advertisement for Futures - Tax Free, including text: 'FUTURES - TAX FREE', 'IG INDEX', '0171 896 0011', 'OFFSHORE COMPANIES', 'Petroleum Argus Oil Market Guides'.



سكنا من الاصل

UNIT TRUSTS

WINNERS AND LOSERS

TOP FIVE OVER 1 YEAR

NetWest UK Smaller Cos	1,459
Franklington Health	1,405
Invesco UK Smaller Companies	1,361
Invesco European Small Cos	1,349
Baring Europe Select	1,337



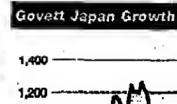
TOP FIVE OVER 3 YEARS

Morgan Grenfell Europe	2,161
Proffitt Technology	2,141
Proffitt Technology	2,133
Baring Europe Select	2,012
Jupiter European	1,938



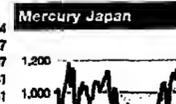
TOP FIVE OVER 5 YEARS

Proffitt Technology	4,000
Mercury Gold & General	3,470
PM North America Growth	3,452
Hill Samuel UK Emerging Cos	3,346
Hill Samuel US Smaller Cos	3,303



TOP FIVE OVER 10 YEARS

Friends Prov Australia	7,464
Abbay Asian Pacific	6,277
Gartmore Hong Kong	6,237
Invesco S E Asia	6,131
HSBC Hong Kong Growth	6,061



BOTTOM FIVE OVER 1 YEAR

Old Mutual Thailand Acc	750
Eaststar Warrant	736
Old Mutual Emerging Asia Inc	615
F&O Emerging Asian	615
GT Korean Securities	542

BOTTOM FIVE OVER 3 YEARS

Save & Prosper Korea	724
Sanwei Japan	741
Barclays Uni Japan & Gen Inc	741
Bovest Japan Equity	702
First Arrow Japan	702

BOTTOM FIVE OVER 5 YEARS

Friends Prov Japanese Sm Cos	736
Barclays Uni Japan & Gen Inc	882
Invesco Japan Growth	931
Govett Japan Growth	955
Mercury Japan	974

BOTTOM FIVE OVER 10 YEARS

Barclays Uni Japan & Gen Inc	878
Mercury Japan	920
M&G Japan & General Acc	1,018
CU PPT Japan Growth	1,077
Five Arrows Japan	1,185

Tables show the result of investing £1,000 over different time periods. Trusts are ranked on 3-year performance. Warning: past performance is not a guide to future performance.

Indices

Average Unit Trust	1045	1243	1881	2575	3.8	2.8
Average Investment Trust	1071	1315	1828	2322	5.5	5.0
Bank	1038	1115	1247	1400	0.0	4.3
Building Society	1085	1119	1257	1328	0.0	4.1
Stockmarket FT All-Share	1719	1423	1749	2041	3.4	4.0
Indexation	1021	1025	1151	1500	0.4	2.2

UK Eq & Bd

BWD Balanced Portfolio	1105	1485	1781	-	4.0	0.8
Credit Suisse High Income Port	1051	1384	1940	-	3.2	4.5
NPI UK Extra Income Inc	1075	1347	2145	-	3.2	2.8
Perpetual High Income	1050	1328	2051	-	3.1	4.0
Bullfinch Offshore Managed	1048	1247	1896	-	2.9	2.9
SECTOR AVERAGE	1030	1248	1850	2604	3.2	3.5

UK Growth

Jupiter UK Growth	1259	1797	2394	-	3.9	2.0
Barclays Uni Leisure	1186	1662	1859	2032	3.8	0.7
Sanwa UK Equity	1248	1654	-	-	3.8	1.9
Martin Currie UK Growth	1124	1828	2089	-	3.6	2.6
Pembroke Growth	1139	1510	2408	-	3.2	1.3
SECTOR AVERAGE	1077	1303	1688	2553	3.5	2.0

UK Growth & Income

Morgan Grenfell UK Equity Inc	1494	1432	1968	-	3.5	3.7
Cazenove UK Equity	1114	1430	1793	-	2.8	3.2
Credit Suisse Growth Port Inc	1065	1428	1897	-	3.6	1.8
Mercury UK Equity	1078	1420	1898	3904	3.4	2.5
Lazard UK Income & Growth	1060	1383	1721	2849	3.4	4.0
SECTOR AVERAGE	1038	1253	1594	2712	3.5	3.0

UK Smaller Companies

Hill Samuel UK Emerging Co's	1262	1839	3432	-	3.7	0.7
INVESCO UK Smaller Companies	1361	1749	2388	2825	4.6	0.8
AES Smaller Companies	1296	1723	2349	-	3.7	0.8
Waverley Penny Shares	1067	1687	2296	-	4.5	-
Credit Suisse Smaller Co's Inc	1209	1679	2459	4356	3.8	0.9
SECTOR AVERAGE	1141	1393	1948	2853	3.7	1.6

UK Equity Income

Jupiter Income	1188	1738	2594	-	3.7	4.5
GT Income	1161	1650	2254	3586	3.7	4.2
BWD UK Equity Income	1081	1418	1881	2288	3.7	4.2
Lazard UK Income	1077	1398	1772	3552	3.4	5.3
Britannia High Yield Inc	1106	1393	1824	-	3.5	8.8
SECTOR AVERAGE	1021	1224	1591	2761	3.5	4.9

UK Equity & Bond Income

Bullfinch Offshore Conv & General	1021	1374	2126	-	3.1	5.3
Proffitt Extra Income	1059	1280	1838	2820	3.0	4.8
Cazenove UK Equity & Bond	1044	1260	-	-	3.9	6.4
CU PPT High Yield	1077	1230	1536	2886	3.5	6.1
Edinburgh High Distribution	1021	1228	1402	2350	3.8	4.3
SECTOR AVERAGE	1019	1158	1505	2336	3.0	5.8

UK Fixed Interest

Franklington Convertible	1066	1289	1617	2357	2.7	5.9
Abnvest Fixed Interest	1112	1291	2054	2570	2.8	9.3
Thomson Preference Inc	1048	1219	1747	2260	2.8	8.8
Exeter Zero Preference	1016	1180	1673	-	1.9	-
HTR Preference & Bond	1073	1172	1645	2113	1.8	8.3
SECTOR AVERAGE	1057	1102	1442	1993	2.1	6.9

International Equity Income

Pembroke Equity Income	1098	1328	1744	2354	2.8	4.9
GT International Income	1099	1207	1839	2665	2.8	3.0
Martin Currie Int'l Income	1038	1207	1841	-	3.2	3.8
Mayflower Global Income	1027	1191	1614	1934	3.3	4.0
M&G International Income	1027	1174	1748	2695	2.7	4.9
SECTOR AVERAGE	1038	1180	1694	2259	3.1	3.9

International Fixed Interest

Thomson Dresdner Europe Bond	1048	1170	-	-	1.8	5.6
Baring Global Bond	1091	1157	1655	-	1.9	6.5
Guinness Flight EMU	1086	1141	1402	-	2.6	5.1
Barclays Uni European Bond Inc	1067	1136	-	-	1.3	8.7
TSB International Income	1023	1125	1423	-	1.9	5.0
SECTOR AVERAGE	1023	1065	1443	1735	2.0	5.5

International Equity & Bond

NPI Worldwide Income Inc	1093	1383	1822	-	3.1	1.4
Cazenove Portfolio	1088	1326	1708	-	2.7	2.4
Centenary FS Long Term Balance	1095	1325	1775	-	3.1	2.9
Bank of Ireland Ex Mgd Growth	1071	1310	1772	-	3.0	3.2
Templeton Global Balanced Acc	980	1293	1700	-	2.7	3.4
SECTOR AVERAGE	1037	1189	1576	2586	2.7	2.8

International Growth

Proffitt Technology	1123	2141	4000	5681	5.9	-
Franklington Growth	1405	1663	2291	-	6.4	-
Martin Currie Int'l Spec Opp's Acc	1186	1595	2482	-	4.8	-
HTR Global Technology	955	1578	2353	4993	5.5	-
Scott Equitable Technology	1040	1529	2098	4362	4.0	1.0
SECTOR AVERAGE	1032	1286	1893	2492	3.8	1.1

Far East inc Japan

Schroder Far East Growth Inc	1019	1370	2019	-	6.0	-
Abnvest Pacific	1021	1310	2038	4150	4.9	0.3
Govett Greater China	988	1261	1926	3072	5.8	0.2
GAM Far East Inc	1006	1248	1887	-	4.8	0.1
Sun Life Far East Growth Acc	954	1245	1761	2987	5.9	-
SECTOR AVERAGE	986	1145	1681	2734	5.3	0.7

Far East exc Japan

HSBC Hong Kong Growth	1168	1548	2618	8081	6.1	1.1
Schroder Pacific Growth Inc	1026	1458	2676	-	7.9	0.5
GT Orient Acc	1198	1455	-	-	7.9	0.2
Old Mutual Thailand Acc	750	1449	2992	-	10.4	1.5
Royal London Far East Growth	988	1423	2478	-	7.7	1.8
SECTOR AVERAGE	987	1277	2157	4864	7.3	0.8

Far East exc Japan, General

TR Pacific	979	1514	2421	4	9.9	0.2
Scottish Aelan	946	1415	3391	1	10.4	-
Pacific Horizon	1067	1278	1728	5	7.0	0.9
Pacific Assets	887	1234	2139	4	10.7	0.4
Edinburgh Dragon	850	1223	1987	9	7.6	-
SECTOR AVERAGE	955	1264	2287	-	8.9	0.7

Far East exc Japan, Single Country

Siam Selective Growth	982	1657	2547	13	9.5	0.3
First Philippine	1024	1486	2671	21	7.9	-
Abnvest New Thal	1080	1483	2795	14	6.5	1.1
Korea-Europe Fund	997	1226	1298	-	6.9	0.1
New Zealand	985	1202	2971	2	6.3	1.6
SECTOR AVERAGE	982	1238	1964	-	8.1	0.7

Emerging Markets

Templeton Emerging Markets	1040	1243	2090	1	7.2	0.7
Foreign & Colonial Em Markets	965	1201	2298	8	8.2	-
Beta Global Emerging Markets	978	1145	1578	12	6.4	-
Kleinwort Emerging Markets	929	1129	-	-	11	6.9
Govett Emerging Markets	972	1002	-	-	14	9.0
SECTOR AVERAGE	1040	1054	1925	-	8.2	0.8

Commodity & Energy

North American Gas	864	814	1357	-	8.0	-
SECTOR AVERAGE	1190	814	1357	-	8.0	0.9

Property

TR Property	1086	1220	1247	15	6.5	3.9
Trust of Property Shares	986	932	1098	16	7.9	3.9
SECTOR AVERAGE	1071	1078	1173	-	7.2	3.1

High Income

City Merchants High Yield	1104	1359	2244	7	3.5	8.1
Dartmoor	972	1322	1943	-	14	6.4
Gartmore Scotland (Units)	1088	1318	-	-	3.6	4.8
Fleming High Income	1028	1205	1336	8	5.4	5.8
Foreign & Colonial High Inc	1148	1178	1761	2	5.3	3.4
SECTOR AVERAGE	972	1159	1478	-	5.0	8.6

Split - Capital

MCIT Cap	1285	2016	4899	-	1.4	6.6
Rights & Issues Cap	1068	1760	2618	10	8.2	2.3
River Plate & General Cap	1343	1548	1621	18	10.2	-
Aberforth Split Level Cap	1245	1818	2566	25	6.6	-
Lloyds Smaller Companies Cap	1200	1583	-	-	25	5.4
SECTOR AVERAGE	898	1251	1989	-	7.8	8.2

Split - Income and Residual Capital Shares

TR Technology	1727	3557	6008	35	12.0	1.4
Finbury Smaller Companies	1283	1623	-	-	3	8.9
Finbury EuroTrust	1387	1472	-	-	21	6.2
US Optimum Income	1074	1429	1484	12	7.7	12.5
Fleming Int High Income	1210	1373	1847	7	7.5	13.3
SECTOR AVERAGE	1013	1271	1782	-	7.4	12.1

Split - Zero Dividend

Exmore Dual Zero Coupon Prof	1068	1461	1602	-	3.2	-
Jupiter Extra Income Zero	1111	1362	-	-	2.2	-
Edinburgh Income Zero Prof	1148	1361	1888	-	2.5	-
OLM Convertible Zero Prof	1121	1344	1903	-	1.9	-
Jupiter European Zero Div Pl	1139	1344	-	-	2.2	-
SECTOR AVERAGE	1118	1307	1770	-	2.0	-

UK General

Mercury Trust	1178	1976	2292	10	4.9	2.4
Finbury Keystone	1131	1701	2186	-	4.9	2.9
Finbury Growth	1144	1820	2311	6	4.8	2.7
Govett Strategic	1220	1345	2232	13	5.8	2.7
Foreign & Colonial PEP	1029	1335	-	-	1	3.9
SECTOR AVERAGE	1079	1394	1973	-	4.5	3.0

UK Capital Growth

Welsh Industrial	1289	1991	1917	25	9.2	5.0
Finbury Enterprise	991	1365	1765	-	10	5.5
Kleinwort Endowment Policy	1168	1327	-	-	0	3.2
Broadgate	1176	1291	-	-	5	4.4
Ivory & Sims ISIS	1302	1180	-	-	26	4.7
SECTOR AVERAGE	1143	1433	1836	-	5.4	2.3

Smaller Companies

INVESCO English & Int'l	1432	2413	2148	-	7.5	0.8

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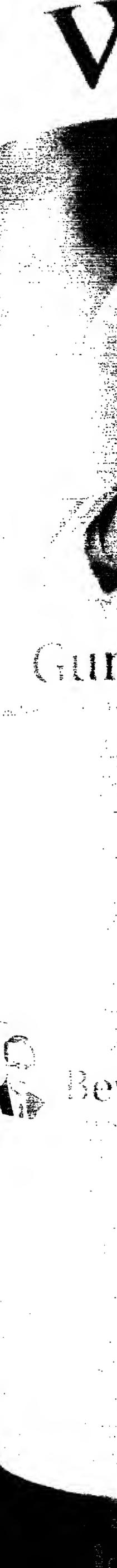
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Weekend FT



CONTENTS



Fashions: Alluring ankle-grazing skirts are back in vogue V

Arts: Edinburgh festival and fringe promise to be the most adventurous XIII

Sports: It has been a great Olympics for landlubbers VIII

Food: Giles MacDonogh reveals the truth and myths about olive oil IX



Perspectives: Lisbon's bullfighting students face the wheelbarrow III

Travel: Sicily and its treasures X-XI

Property: France still offers great value - to rent or to buy VI-VII

Arts	XIII, XIV
Arts Guide	XV
Books	XII
Bridge, Chess, Crossword	XV
Fashion	V
Food & Drink	IX
Gardening	VI
How To Spend It	VI
Motoring	VIII
Perspectives	II, III
Property	VI, VII
Small Business	II
Sport	XI
Travel	X, XI
Weekend Investor	II

Guns: to ban or not to ban

Richard Donkin asks shooters why they shoot and examines the arguments surrounding the private ownership of weapons

A I wandered among the hundreds of shooters gathered together for the annual meeting of the National Rifle Association at Bisley in Surrey last week, it was difficult to imagine a more peaceful atmosphere. The red telephone boxes and pavilions evoked another era.

"If you drop your wallet at Bisley, 99 times out of 100 you're going to get it back. These are law-abiding people. The most important thing to them is their firearms certificate and they can't risk losing it," said Roger Hanley, secretary of the London & Middlesex Rifle Association.

But the atmosphere at Bisley was not quite the same this year. There was a discernible tension among the association's members.

Shooting is struggling to emerge from the shadow of Dunblane, the Scottish town that fell victim to the murderous rampage of Thomas Hamilton, the handgun enthusiast who, in March, killed 16 chil-

dren and a teacher before turning his gun upon himself.

Hamilton might have been regarded as a one-off had there not been other examples: there was the killing spree of Michael Ryan in Hungerford in 1987 and, latterly, the indiscriminate shooting by a single gunman of 32 people in Tasmania.

Shooters have been cast as moral pariahs since the Dunblane massacre. Opinions have become polarised and arguments for and against the possession of weapons have been charged with emotion.

This week, there were angry exchanges in the UK following reports that the Conservative majority on the Commons Home Affairs Committee had decided against banning the private ownership of handguns. The five Labour members dissented. And the government said it would wait for the findings of Lord Cullen's inquiry into the Dunblane killings before it ruled either way.

The debate highlighted the divisions: opponents of a ban were accused of giving in to

pressure from the gun lobby and of being out of touch with public opinion, while John Greenway, a Conservative committee member, said his side had the backing of senior police associations and that, in any case, a ban on handguns would be impractical.

"We took the view that it is not legally held firearms that cause the problem in this country. It is the way that firearms certificates are issued where the law needs to be strengthened," he said.

On the other hand, Anne Pearson, one of the organisers of the Snowdrop petition, drawn up after the Dunblane tragedy to call for a ban on handguns, said: "To say that a ban would be impractical and do nothing is a nonsense."

"We have had two massacres by people holding legally held handguns in this country and it is unacceptable for people to live with that risk any more."

Few who shoot would claim to be unaffected by the killings. Hanley recalled his own reaction: "I was in my car on

the way to a meeting when I heard of the shooting on the radio. I had to stop the car and go for a walk to think about it."

"I was going to come in here and resign. Did I really want to be involved in a sport if, when things go wrong, it could lead to this?"

Is it too easy to blame guns when we should be questioning ourselves?

Others faced similar self-examination. "There was a black cloud over this place for a month. Everybody was down. Activity was down. Not one person I have spoken to felt anything but disgust at what happened," said Hanley, who did not, in the end, resign. Slowly, shooting returned to its previous levels.

In the meantime, Lord Cullen's inquiry was taking evidence. The 10 most influential shooting associations put their backing behind the British Shooting Sports Council which submitted its case last month.

The united stance, however, masks a cross-section of disparate views covering everything from the presentation of the sport and shooters' rights, to the nature of any future legislation. Such are the sensitivities among shooters that many even regard the label "gun lobby" as pejorative.

Some, however, are beginning to mobilise their arguments so that those who do not shoot might begin to understand the rationale behind the sport.

After all, why do people want to shoot? Is shooting to blame for what happened in Dunblane? Or was it something else? Is it too easy to point the finger at gun-owners when each of us should be asking questions of ourselves and the way we live?

Eric Bettelheim, a City-based

derivatives lawyer and secretary of the recently formed Countryside Business Group, is probably as well qualified as anyone to pronounce on the psychology of shooting. His late father, Bruno Bettelheim, a survivor of Dachau and Buchenwald concentration camps, was a leading psychoanalyst in the US whose reputation was built working with autistic children.

Bettelheim shares his office with a placid Labrador dog called Murphy and a ferocious-looking wall-mounted trophy of a Barracuda. He likes nothing better than to escape the complex world of derivatives law by accompanying his dog on a deer-stalking expedition in the wilds.

"I started rifle-shooting at summer camp in the US. My interest is woodland stalking. I like being out in the woods with the deer and my dog. I think it's a wonderful solitary relief from the lifestyle I otherwise inhabit of fear, greed and anger," he said.

"The motivation is not blood-

lust and cruelty. If that were the case it would have died out years ago. The motivation for people like me is, from time to time, to be able to come into close contact with nature as it really is, including the cycle of life and death."

Bettelheim believes that urbanisation has distanced society from the realities of life and death. He said: "Before, it was sex and money, but now the real hypocrisy concerns death: it's what the modern world conceals from itself. Yet, at the same time, we indulge in images of violence in videos and films."

Bettelheim is convinced that

Continued on Page II

Oh for the simple life, when Dad went out to work and Mum prepared his meals, did the washing and looked after their progeny.

Sorry. Did I say that? My hand is clapped over my mouth. I did not mean it, honest. It just slipped out. It is the sort of thing you would expect to be proclaimed by Edward Leigh, the Conservative member for Gainsborough and Horncastle. Actually he did proclaim it, in parliament, just the other day.

Women and men were equal, he conceded, but they were very different. "I believe that the old-fashioned concept of the family, usually based on the man working and the woman staying at home and bringing up the children, is right." (That sort of family bolstered society.)

We do not wish to be found in the company of such as Mr Leigh. Let us begin again, put incorrect thinking behind us, start with a clean sheet. Here goes:

What the world needs is more gender equity. If organisations and enterprises cannot accommodate people who

want both a good job and plenty of time with the family, then the way they work must be changed. This was the import of a recent Labour motion on "family-friendly employment".

Tessa Jowell, opening for the newly respectable people's party, quoted various authorities in support of flexible working practices. I will not list them all. Just let us say that it is easier for a man to help keep house if he works part time, or if he can take hours off to care for children or frail elderly relatives, or if he shares his job with someone else.

Such "family-friendly" practices may sound like profit destroyers, enemies of the shareholders. Not a bit of it. Ms Jowell cited reports of savings in recruitment and retraining costs, plus other benefits to capitalism, such as continuous six-day working without the need for overtime. This new orthodoxy is supported by a growing pile of learned papers.

Do not turn away. These can be a joy to read. Get an academic friend to provide you with one for the holidays. You

could tell the family you have a spot of work to do. The "working paper" I have before me comes from the MIT Sloan School of Management. Three teams of Ford Foundation-funded researchers from separate institutes have studied three large companies - Xerox, Corning, and Tandem Computers. The MIT-based team went to Xerox.

Their report says that "in situations where 'ideal workers' are assumed to be those whose first allegiance is to work, people with career aspirations go to great lengths to hide their practical commitments to families". Men may have pictures of their wives and children on their desks. Ambitious women keep clear of such "family reminders".

Some employees give false reasons for leaving in the middle of the day if the purpose is, for example, to take a child to a doctor. Some secretly take their young on business trips. Others leave their computers on while they go to pick up the children from, say, a sports event, "so people walking by will think they are in a meeting".

Not all of this is new. There is a gentleman in a certain London company who many years ago purchased a second jacket for one of his suits. It is never worn, just hung casually on his coat stand. It has been there for years. Look in on his office and you think he has popped out for a moment. It could be hours. For all any of his colleagues know he uses this camouflage to provide time to make soup for his grandmother.

The solution, according to the MIT team's report, is first to acknowledge that work life and family life have become interdependent, then change the way things are done. It records what happened when this was tried at various sites. At an administrative centre where most workers were

women, hours were rigid. Managers feared change; it could mean lower productivity. The costs of doing nothing included "unplanned absences, lack of coverage...backlash against people who took the time they needed."

Flexibility was introduced. Absenteeism fell by 30 per cent. Coverage improved, with the result that contact was made with more customers. Employee in-fighting subsided.

A similar happy ending is tacked on to the story of another workplace, where the subjects were mainly men, professional engineers. "The team operated in a continual crisis mode that created enormous stress..." says the report. Its authors challenged the engineers' use of time. One group did something about it. They planned their days, taking the family into account. Hey presto! Their product was launched on time and the engineers won excellence awards.

The happy train of thought runs off the rails at an unnamed sales and service district. Most service workers were men, but plenty of women worked in sales. Team-

work was promoted, cover extended. Family life benefited. Sales rose above budget and service improved.

Alas, that is not the whole story. While the authors were there there was "considerable turnover and turmoil". Downsizing, management changes, and consolidation of the service districts had a "demoralising effect". Employees felt "discouraged" about the possibility of linking personal needs to work practices.

It makes you think. Is gender equity an optional extra, a luxury experiment to be undertaken in good times only? That has been said of environmental protection, health and safety regulation, and product reliability inspections. If it is applied to "family-friendly" methods of work we might be tempted give up trying to treat men and women equally and go back to the traditional divide between home and work. In your dreams, Mr Leigh. Me? I stay awake.

Re-linking work and Family. Copies available from Loretta E. Cairns, MIT, 50 Memorial Drive, E53-540, Cambridge, MA 02142-1317



Joe Rogaly

Beware of the gender trap

Those were the days, when Dad worked and Mum ironed...

Managers feared change; it could mean lower productivity

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PERSPECTIVES

The Nature of Things How toads can help you hear properly

Clive Cookson on the process called stochastic resonance, a potential aid for treating deafness

If you are listening out for a weak signal, the last thing you want is random background noise or interference that blots out what you are trying to detect. Communications specialists have been working on this principle for more than a century, trying to filter out all extraneous noise so that the signal comes across as clearly as possible.

But a delightfully counter-intuitive approach, now gaining favour in a range of sciences from biology to electronics, takes the opposite tack. In some circumstances, faint signals are easier to pick up when random noise is added.

Stochastic resonance, as the process is called, started out as a mathematical explanation for the recurrence of ice ages. In little more than a decade, it has developed into a potential aid for treating deafness.

The latest research, published this week in the journal *Nature Medicine*, suggests that noise

should be added deliberately to improve the performance of cochlear implants - electronic devices that can restore rudimentary hearing to people who are profoundly deaf. Ted Evans and Robert Morse, of Keele University, used an isolated sciatic nerve from the xenopus toad as a model to study the human auditory nerve; they showed that random noise could "dramatically improve" the nerve's response to electrical stimuli representing a range of vowel sounds.

Stochastic resonance occurs in certain non-linear systems - those in which the output does not change steadily as the input varies. A proper explanation is highly

mathematical but to get an idea of the process, imagine a regular signal that is too faint ever to reach the lowest threshold of the detector; it records total silence. Then add random noise at a level that sometimes - but not always - triggers a response in the detector. You may think you have swamped the faint signal but in fact you have raised it to the level where it is detectable - so long as you have a processing system that is capable of extracting the small component of useful information, represented by the original signal, from the noise.

Three Italian scientists (Roberto Benzi, Alfonso Suter and Angelo Vulpiani) came up with the theory

in the early 1980s, to explain a climatological puzzle: why ice ages appear to occur every 100,000 years or so. The climate cycle follows fairly closely a periodic wobble in the earth's orbit around the sun, which affects the amount of solar radiation reaching the earth. But this effect seems too small to have such a drastic impact on climate. The Italian group proposed that a large number of more powerful influences (such as gigantic volcanic eruptions and meteorite impacts) act as strong "noise" that boosts the weak cycle caused by the earth's wobble.

Although the ice age theory remains unproven, the concept of

stochastic resonance intrigued scientists in other fields. A French group confirmed the effect in an electrical circuit containing a non-linear device called a Schmitt trigger: as random noise increased, a weak signal became clearer - up to a certain point, after which the circuit really did become too noisy to detect any pattern.

During the late 1980s and early 1990s, physicists demonstrated stochastic resonance in various other systems including laser beams, radio transmissions and quantum devices. Then biologists started to take an interest, realising that the effect might help animals pick up faint signals, such as the sound of

an approaching predator, in a noisy environment.

Frank Moss and colleagues at the University of Missouri focused on the crayfish. Its tail has tiny hairs whose purpose is to detect movements in the water caused by predatory fish swimming nearby. Experiments with crayfish hairs and their associated nerves confirmed that they were far more sensitive in noisy conditions (such as a fast-flowing river) than in total quiet.

Back in Italy, Enrico Simonotto of the University of Genoa showed recently that the same effect can make it easier for people to see faint visual images. Shapes that are too dim or hazy to make out on a

quiet video screen can be distinguished when random digital "noise" is added to the picture elements. This discovery could perhaps be applied by the designers of night vision equipment.

Biologists suspect that stochastic resonance may be a common feature of animals' sensory systems; networks of nerves may generate their own noise so as to pick up weak signals.

If so there could be many medical applications beyond the cochlear implants, to enhance the sensitivity of people with disorders of the nervous system. For example, disease can desensitise the "proprioceptors" cells that sense the movement of limbs - causing problems with walking and maintaining balance. The affected limbs might be treated with low-level electrical or mechanical "noise".

As Moss says, it is tribute to modern science that an obscure phenomenon of non-linear statistical physics should find its way so fast into practical neurophysiology.

The seasonal free gift that Annoushka Ducas dreamed up one Christmas to promote fresh fish, has developed into a thriving business. Formed in early 1991, with capital funding of £2,000, Links of London is expected to turn over more than £4m this year. It has already won two jewel industry awards.

In 1989, after the death of her mother, Annoushka Ducas, then aged 23, inherited the managing directorship of the family business, Rockport Fish, a Sussex company specialising in buying fish direct from the boats for sale to London's top restaurants.

Two years later, in the run-up to Christmas 1990, the time came to decide what presents to give her customers, some of them chefs at renowned London restaurants such as The Connaught, Claridge's and Sooty. Ducas turned to her hobby, designing silver jewellery, and had some fish-themed cufflinks made.

The presents were so well received that she approached two big London department stores with pairs that were surplus.

"I very quickly recognised that there was a definite gap in the market for men's accessories, particularly cufflinks. No one was making themed cufflinks at all at that time, and there is very little a man can wear that will actually make a statement at all. He wears a suit, so the cufflinks and tie are about the only two things."

Harrods and Harvey Nichols asked to see more of her work. So she created five new designs.

Meanwhile, Ducas spotted another market gap for what she calls "affordably upmarket goods".

She said: "It was just the beginning of the recession, so we kept our accessories very affordable. They were presents people would buy for £40-£45, but which looked as if they had cost £140."

"Then, as now, taking the utmost care in packaging and presentation was the key to achieving this effect."

She got back to Harrods and Harvey Nichols with her range of six cufflinks, and met with success; and, after setting up Links of London, experienced the pressures of running two businesses simultaneously.

"It all happened relatively quickly. In year one we turned over £72,000. I still had Rockport Fish to run. I was doing fish from 8am until noon, when I would do silver. Then, from around 7pm until midnight I would be on the phone to my chef customers. I was going to bed at 12 and getting up at five. It was quite a hard slog."

When she and John Ayton, her husband, decided to consolidate the Links of London identity by opening their own outlets, Ayton's experience as a



Annoushka Ducas: 'If you don't know what your management accounts are, how can you plan for the future?'

Minding Your Own Business

A fishy tale with a silver lining

Simon Walsh on an unusual company start-up

solicitor came into his own.

"In November 1993, we opened our first retail shop in Broadgate, (near Liverpool Street station, London) very much as a corporate shop window, and also to get customer feedback, both for ourselves, and to pass on to our wholesale customers."

"I have to say we were extremely lucky in terms of site and rent, the city was at the time fairly undervalued in terms of retail premises, and I think it probably still is."

"My husband, who is also my business partner, used to work in the city as a solicitor. He used to walk past this site every day. One day it was empty, and he said 'I think I've found the perfect site'."

"I can't think of a better shop window."

In 1994, it was decided to sell Rockport Fish to concentrate fully on Links of London. A

year later, in February 1995, the company brought off its greatest coup, a prime site shop in Heathrow Airport's Terminal One.

Links of London accessories can be found on all British Airways international flights and on the Venice-Simpson Orient Express. It also sells its motif jewellery to the London Stock Exchange, Wickers, Warburton, and Barclays de Zoete Wedd and has been appointed the exclusive licensee for silver giftware and jewellery to the All England Lawn Tennis Club.

Ducas attributes her company's success, and the speed with which it has come, to meticulous cash-flow management.

"We have very good management accounts every month. I

think management accounts are most important, probably the most important. If you don't know what your management accounts are, how can you plan for the future?"

Although running a tight budget, Ducas and her husband eschew false economies. When in early 1990, it was time to establish a corporate image and produce a brochure, the look they wanted was expected to cost them £10,000. So that's what they spent on it.

Ayton says: "I agree, £10,000 seems a lot. But the quality of the brochure and of the styling has been something that has set a standard for the last five years. It's definitely been money well spent."

Since we view our brand in terms of long-term penetration and growth in the UK and abroad, we need to focus on quality, and that is not cheap."

For the future, Links has set

its sights firmly eastwards.

"The Middle East may be a possibility, we've got one or two people interested in opening shops in Bahrain and Dubai," says Ducas.

She adds: "We have had a lot of Japanese coming through our shops. They love the packaging, they love the look, so we are hoping to find a partner there."

"We are looking at Japan on three different levels. The corporate market there is absolutely phenomenal, and we have already done quite a bit of work in Japan on that side. Mail order is a very big issue in Japan as well, and that is something else we are looking at. I think our product could do extremely well there."

Links Of London, 48/50 Chepstow Place, London W2 4TB. Tel: 0171-792 8182. Fax: 0171-792 0757.

Truth of the Matter Embryology has reached maturity

Philip Crowe argues that, in the wake of the Warnock committee's deliberations, the technology of infertility is now subject to adequate controls

Some eight years ago, three people met Sue Lawley in a television studio. One was a tiny baby, the 1,000th born by *in vitro* fertilisation; another was Dr Patrick Steptoe, and the third was Louise Brown, the first "test-tube baby", who celebrated her 18th birthday last week. She was then 10 years old.

Sue Lawley asked Louise if she knew what Steptoe had done for her, and she replied: "He made me." Then she giggled, realising that wasn't quite right. But her spontaneous answer lies on one side of a great gulf, and her reflective giggle on the other.

Does modern technology assist the natural processes of creation, or do we think that we can turn creation into a technological operation?

It is now commonplace in farming for breeders to choose eggs from the ideal cow, sperm from the best bull and then have embryos of the right sex implanted in their strongest cow. In human reproduction, the success rate is not high, but the same techniques are available. In another 20 years, who knows what technology will achieve?

Some 20 years ago, in the early days of the heart transplant programme, Bernard Levin waged a campaign against the tyranny of scientific progress. The prospect of having his failing parts replaced one by one did not appeal to him, and he rejected vigorously the idea that whatever could be done should be done.

Today, heart transplants are a matter of routine for which many people are deeply thankful. It is not possible, even if it were desirable, to call a halt to scientific research.

The crucial question, in a scientific age, is not what we can do, but how we think about what we can do. Do we use technology to assist human reproduction, or do we allow human reproduction to be turned into a technological operation? In 1965, Thomas Merton, the celebrated American monk, wrote a book called *Conjectures of a Gullible System*.

He maintained that "the central problem of the modern world is the complete emancipation and autonomy of the technological mind, at a time when unlimited possibilities lie

open to it. Technology and science are now responsible to no power and submit to no control other than their own."

In 1978, when Louise Brown was born, Merton's comments were literally true. Her birth was a technological triumph, but the techniques which made it possible were not regulated in any way by law.

The Warnock Committee was not appointed until 1982, "to examine the social, ethical and legal implications of recent and potential developments in the field of human assisted reproduction."

The committee reported in 1984. There was then a long period of discussion, sometimes very heated. Dame Mary Warnock commented on the abuse to which members of the

inquiry were subjected, both during their work and after the publication of the report.

The debate revealed on one side a heartless lack of compassion for children who suffer from genetic disorders, and for their parents.

It also revealed, on the other side, a chilling lack of respect for the human embryo. In the course of the debate, members of parliament were subjected to all kinds of lobbying.

My own member of parliament said he found it the most difficult issue he had ever had to consider.

Dame Mary expressed considerable frustration at the length of time it took to give effect to her recommendations, but when the Act was eventually published, she changed her mind, recognising that the long debate had allowed a consensus to develop.

In 1990, the Human Fertilisation and Embryology Act was passed. It allows certain treatments for infertility which involve the use of embryos. It also allowed experiments on

human embryos up to 14 days, under certain stringent conditions.

The Human Fertilisation and Embryology Authority, set up under the Act, is responsible for licensing and regulating all centres in the UK which carry out fertility treatments involving the use of donors, storage of eggs, sperm and embryos, and research on human embryos.

Three years ago, there were proposals for a gender clinic in north London where, for £850, people would be able to choose the sex of their next child. The authority issued a consultation document on Sex Selection. It considered the "slippery slope" arguments, and the fears of people who worry about where it will all end.

"It is possible," says the document, "to draw a line permitting some activities and prohibiting others. Devising and enforcing rules to achieve this is a principal role of the HFEA."

After consultation, the authority issued a code of practice, allowing sex selection for medical but not for social reasons. It was under the supervision of the authority that some frozen embryos were destroyed this week.

The protocol of the HFEA requires that the embryos be treated with due respect. The embryos were unfrozen and rendered non-viable. A few, very few, were returned to the owners who wanted to hold some religious ceremony. The rest were incinerated as part of hospital waste. In the natural world, more than 40 per cent of human embryos are lost, flushed down the loo without the parents even being aware that they have conceived.

It could be argued that the authority treats embryos with more respect than nature.

It is the Human Fertilisation and Embryology Authority which, in the 1990s, provides a hopeful answer to the fears expressed by Thomas Merton in the 1960s. Scientists working in this field are no longer autonomous.

Science and technology are now subject to a power and a control other than their own. Society is not in the grip of a ferocious monster called scientific progress. We are in control. The HFEA, which we have set up, bears eloquent and reassuring witness to that fact.

Some target-shooters might struggle to accommodate such instincts. Competition shooting, explained Roger Hartley, has far more to do with the pursuit of excellence. "It is about putting holes in paper," he said. He likens the sport to golf in its attention to technique and in its social attraction. He points out that shooting is a broad church in which women can compete on equal terms with men and in which physical disability is no barrier to success.

While shooters do not generally advertise their interest among friends and neighbours - for security reasons and for fear of being misunderstood - at Bales, at least, they mix with people with whom they share a common interest.

Views about future gun controls vary. But whatever the outcome of the Cullen inquiry, guns will not go away, no matter how distasteful some may view their use and possession.

Before we stand in judgment over those who use them, we might, as Yardley suggests, reflect upon some of the broader influences in society and their potential for corrupting our world.

Continued from Page 1

the film industry can no longer disown responsibility for influencing aggressive behaviour in susceptible individuals. His views are supported by Michael Yardley, an experimental psychologist and writer about shooting who carried out a recent study of gun-related violence in popular entertainment on behalf of the Country-side Business Group.

The research looked at the number of firearms incidents in the 10 most popular rental video films in the UK during 1995. They averaged 13 killings by firearms per film.

The largest number - 50 - was recorded in *True Lies*, starring Arnold Schwarzenegger. The film included 1,020 images of guns.

"Until we count them like this we don't know the extent of these images. They are affecting us subliminally and it is insidious. In *True Lies* there was a firearm image every 7.9

seconds," said Yardley.

Even the Oscar-winning *Forrest Gump* had 11 firearms killings. "When you take these films apart you begin to question your own motives for watching them and the motives of those who make them," said Yardley. Some actors, such as Dustin Hoffman and Sir Anthony Hopkins, are now beginning to rebel against on-screen violence.

Yardley speaks of the "tyranny of the majority" that can overwhelm minority views and pursuits in a democratic society. James Wright, Peter Rossi and Kathleen Daly, the authors of a comprehensive study of US gun culture, *Under the Gun*, published in 1983, alluded to the same threat.

They wrote: "American progressivism has always taken a strong and justifiable pride in its cultural pluralism, its belief that minority or 'deviant' cultures and values have intrinsic legitimacy and are therefore to be at least tolerated if not nourished, and certainly not suppressed."

"A critical issue in modern America is whether the doctrine of cultural pluralism should or should not be extended to cover the members of the gun subculture."

Their argument came down to whether gun use and ownership was so essentially a part of American life that it should be considered a legitimate form of self-expression.

Their study estimated that the US had about 120m guns in private hands. Some estimates put today's figure nearer 200m.

They warned also that closure of the gun manufacturing industry could lead to a "firearms equivalent of Prohibition".

The study also exposed the myth that the US exercises little control over firearms, pointing out that there are 20,000 gun laws in effect across the country. "That these laws have had little or no effect on violent crime is reasonably transparent," it said. That view is endorsed by Colin Greenwood, editor of *Guns Review* magazine and an independent fire-

arms consultant.

He estimates that for every gun in legal ownership in Britain there may be two illegally held. The acquisition of illegal firearms is not that difficult. "It is said that on the east coast of Scotland you can buy a Kalashnikov off the trolleys from eastern Europe for £200."

Criminal gun use has changed discernibly in recent years. While the sawn-off shotgun was once the criminal's weapon of choice, today it is more likely to be the machine pistol or handgun.

An international arms dealer told me that while a legally held handgun might cost about £500, a similar weapon could be bought on the black market in Bristol for nearer £50. It has been estimated that the number of guns held both legally and illegally in the UK is about 3m.

Although the nearest that most people will come to a gun is at the fairground, shooting is one of the biggest participation sports in the country. About 500,000 enthusiasts regu-

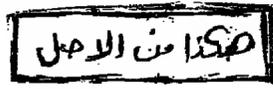
larly shoot at clay pigeons and £600m a year was spent on shooting in England and Wales in 1990. Greenwood estimates that the UK figure today would be close to £1bn.

Pistol shooting, the discipline most in the spotlight after Dunblane, is a sport

There were 50 killings by firearms in *True Lies*, and 1,020 images of guns

worth £60m alone. Some 57,000 pistol shooters loose off 300m rounds a year in the UK. "Pistol shooting is bigger than basketball but because it is conducted out of the public gaze, the average person hardly knows it's happening," said Greenwood.

While the field sports arm of shooting had its antecedents in



PERSPECTIVES

صحن من الابل

Why would a company director, a Spanish student, a lady harpist, and a butcher nicknamed Sausage be chasing a wheelbarrow with a painted face and horns sticking out of the front around a dusty yard in the middle of Lisbon?

"Well," explains Sausage, who at 44 sometimes has trouble keeping up with the wheelbarrow, "if you live in a city and want to take up bullfighting as a hobby, what else can you do? It's not easy to find real live bulls in Lisbon."

The four are among the pupils of Lisbon's first school for bullfighters. Anyone can join - there are no age or gender bars. Any Thursday, Friday or Saturday afternoon, take a tram to Happiness Square in the upper city, look for the red door marked Festa Brava, opposite the police station, between the jazz club and the ladies of the night, ring the bell and then descend the staircase under the watchful eye of a giant bull's head.

On the last step, an old man with a squashed face and a lazy eye will probably ask if you have come for Italian lessons. Pass him and you are in a different world - one of worn red leather chairs, colourful posters of famous bullfighters, large silver trophies and bookcases full of moth-eaten breeders' guides.

Men with dark glasses and cowboy-booted legs so bowed as to shape the letter O, strut back and forth, black jackets slung across their shoulders in matador fashion. They rarely talk, preferring to smoulder, but occasionally they stop against the bar at the end of the room and reminisce about bullfights gone by, fuelled by quick shots of red wine and short puffs on a harsh smelling cigarette.

On Saturdays they gather in the blue and white tiled dining room with poets, singers and other bullfighting aficionados for a lunch that will go on past dusk.

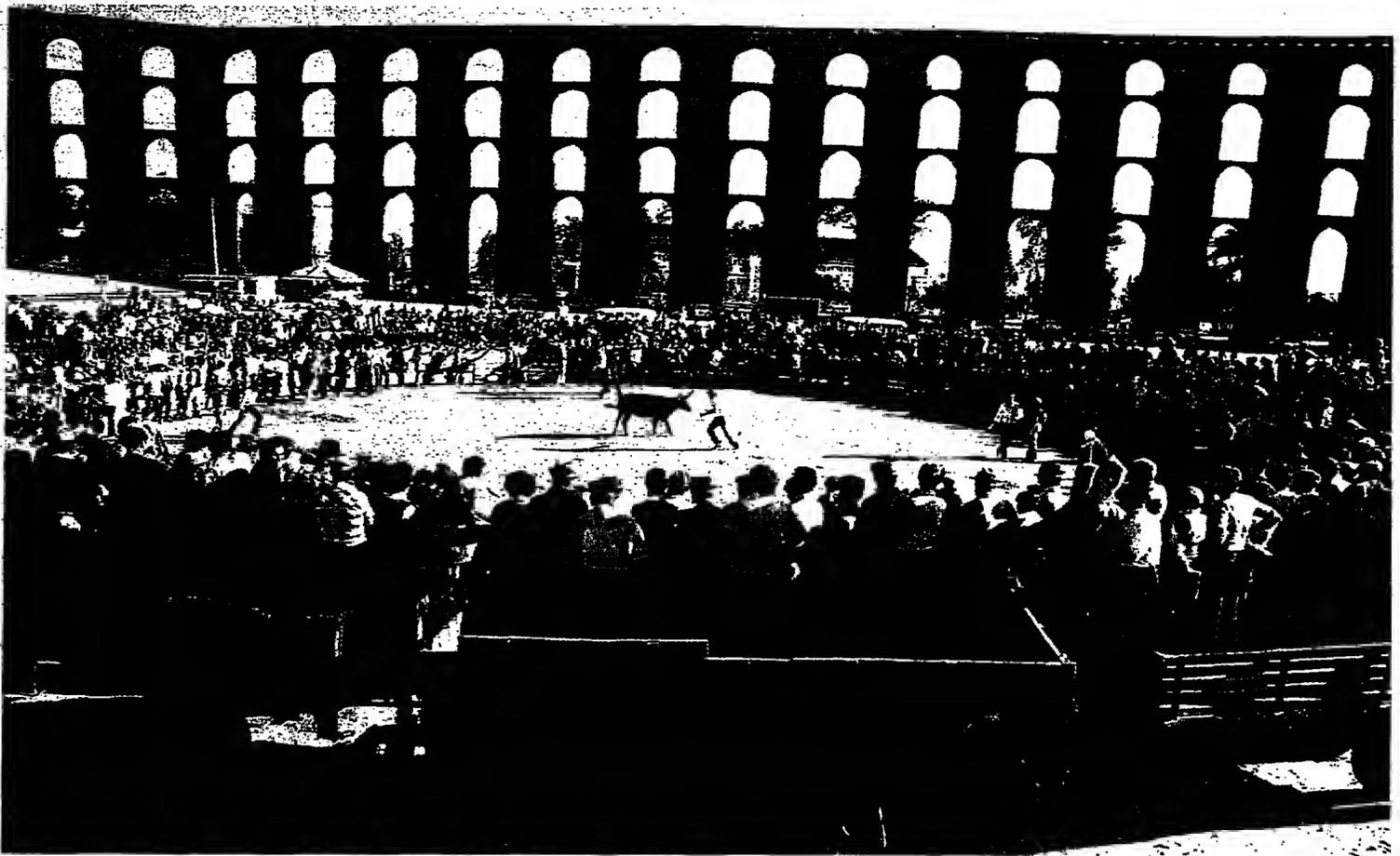
Outside in the yard, Master Fernando Segarra is giving his classes, dust flying as one man chases and tucks the wheelbarrow pushed by another. The 65-year-old former bullfighter started the school two years ago and now has 18 pupils from the age of six to 44, all male except for the harpist. He charges nothing and relies on donations from other retired bullfighters to buy equipment.

"I love bullfighting but I was lucky because my father and uncle were both bullfighters so I learnt to fight bulls just as I learnt to read and write. I really feel for kids in cities who don't have that opportunity," he explains.

Talking to Segarra, it becomes clear that he is on something of a crusade. He snorts at the idea that bullfighting is a particularly dangerous sport to teach young or even old people - he says he was never deterred by the six fractures he sustained in the ring and the 40 times he was gored.

Segarra points out that unlike football, Portugal's favourite sport, bullfighting has not been blemished by hotheads or use of drugs. He insists that bullfighting is an art and can be enjoyed as a hobby.

"The main thing people learn



To the Portuguese bullfighting is artistic and noble - the domination of the Matador's intelligence over the animal's brute strength

Photographs: Magnus

In the bullring - with a wheelbarrow

Christina Lamb says that Lisbon's bullfighting students take their art seriously, despite the plastic horns and less than deadly rapiers

here is discipline. Bullfighting is the domination of intelligence over brute strength," he insists. "Look," he says, calling on some of his pupils to demonstrate. A Brazilian soap opera is blaring from the next-door house and a prostitute peers out of a cracked window, giggling. She watches as a law student bends down clutching a pair of plastic horns over his head, narrows his eyes, and runs at a 15-year-old boy. In another corner, an older man is trying to poke sticks into a wheelbarrow. It is hard not to laugh. They do look very silly.

But then Andre walks on. Shoulders thrown back, hair slicked down, sideburns like Indian war paint on his cheeks. He struts arrogantly, teasing and confusing the wheelbarrow pusher as he tosses his heavy red cape this way and that, then spears the barrow with a disdainful gesture. His red and white striped T-shirt and torn jeans seem transformed into a glittering gold sequined costume.

Segarra looks on proudly. Eighteen-year-old Andre is one of four boys at the school who think they can make it as professionals. "It would make me feel wonderful to create a world-class bullfighter here in this yard."

Later Andre admits that his mother is unhappy about the idea. "She wants me to stay



In the ring and treading the tightrope between life and death



Fighting in the streets - for real this time

here and go to university. If I become a bullfighter she thinks I'll go to Spain and only come back in a coffin."

Spain is mecca for bullfighting hopefuls. Although Portugal has a thriving bullfighting scene, it is the only bullfighting country in the world where bulls are not killed. Bullfighters are on horseback rather

than foot, and a fight is more a show of horsemanship. Segarra is one of those campaigning to change this. He grumbles: "What bullfighting is about is a delicate balance between life and death. The Portuguese way is artistic and noble but not the real thing."

In fact bullfighting is experiencing a surge of popularity in

Spain, particularly among the young and among women. Jesulin de Ubrique, a young matador who holds a yearly Ladies Only fight, is a more popular pin-up than any pop star or movie idol and Cristina Sanchez recently became the country's first fully-fledged woman bullfighter.

Most of the pupils at Festa

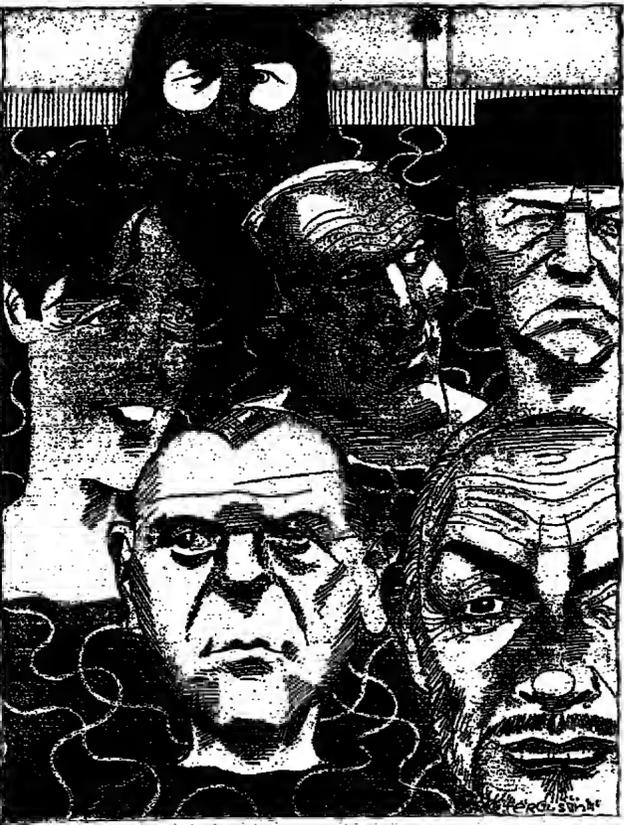
Brava will only ever go to Spain as spectators. Paulo Moraes, a 27-year-old construction company director, admits he is unlikely to make it as a professional, despite spending 10 hours or more a week at the school for the past two years. He claims that his unusual hobby has had a huge impact on his life. "Here you learn to dominate your fears which is very useful in the rest of your life. Most of us have had the chance now to enter a ring with a live bull. The bull is a thousand times stronger than you but he's stupid, so to exert that advantage you must avoid panicking and stay calm and dignified to fool him. There are many situations in everyday life dealing with people to which this can also apply."

Moraes steps into the ring to demonstrate some basic movements. His slim graceful build makes it look like a ballet between him and the bull, as he jerks the pink and yellow cape around the wheelbarrow in elliptical patterns. Returning to his seat he smiles shyly

and admits: "Everyone who comes here, whatever they say, in their heart of hearts, we all want to be bullfighters."

But are not most of them too old to start learning? Segarra thinks not. "Bullfighters can continue to an old age; it's the bulls that can only last three or four years. Younger men may have better physiques but older men have better mental capacity. It's like a boxer killing a lion - not with force but intelligence and patience. I gave up bullfighting at 61 not because of my age but because of this." He pats his huge belly.

Just as I am about to leave, I notice Andre is back in the ring with Frederico, a plump student who is by far the best at imitating the bull. Swaggering around the yard, Andre makes passes and thrusts with his rapier, his eyes fixed on the fearsome bull. For one second the sounds of the city fade away and I can feel the electric tension of the tightrope between life and death. Not quite *Death in the Afternoon*. But almost.



Letter from Los Angeles

Almost starstruck in Hollywood

Christopher Parkes tries to explain the urge to get within hailing distance of LA's finest

I am trapped in a low-slung poolside lounge, drinking guava-flavoured water, when the dreaded question drifts across the patio table.

"Has anyone ever said 'Sean Connery' to you before?"

I reach for my glass to take a prevaricatory sip but mistakenly grasp one containing an anti-mosquito candle. I blink in the fizzle of razed eyebrows.

A remark or a question including a star name attached is a sure signal we are going to talk about famous people we have met, almost met, acted with, represented, directed or otherwise abused.

Since I suffer from a chronic form of star-blindness, and can barely distinguish Gene Hackman from Arthur Scargill, I am out of the personality debating loop. The closest I have come is drinking Newcastle Brown Ale with Eric Burdon in 1968.

I try a slice of British irony. "I'd always been led to believe Paul Newman was nearer the mark."

"Oh. Yeah." comes the counter, and I begin to feel my first blunder is being here at all.

As usual, there is the heaven-sent someone else at hand - in this case a hairy independent film producer - all too willing to roll his credits. He is in action movies doing stuff with a hunk called Doll Lungwrench, or someone else whose name I forget.

He picks up the conversation left trailing at my end of the table, and tells us Sean Connery has become the highest paid supporting actor on record. He collected a \$10m pay-off for playing second fiddle to Alcatraz Prison, setting of the early summer hit *The Rock*.

I join in when, out of consideration for my Englishness, the company cracks a few hoary jokes about Hugh Grant's escapades with a lady of the night last year, before I make my excuses and leave.

Truth to tell, like many other people in Los Angeles, I almost brush shoulders with the show business types on a daily basis.

Only this week, cruising Sunset - as we like to call the early morning charge to school - I spotted a low-loader stacked with six Porta-Potties close to the location for a film called *Lovely*.

This was none of your usual Sunset Boulevard road-worker street furniture, shot to hell and splattered with "OJ Guilty" graffiti. These were classy commodes in cream enamel and chrome.

Still, since there were no silver stars stuck to the doors, we stashed the autograph books and cruised on.

Last September as we pulled up at the lights in Pacific Palisades, Anthony Hopkins, carrying a latty shopping bag, crossed the road only feet from

the front bumper of our car. Honestly.

Shortly after that shaker, the family found itself invited to a five-year-old's birthday extravaganza where the surprise guest, a five-year-old African elephant, was said only days before to have given rides to Steven Spielberg's children.

There is more.

We occasionally "shop with the stars", as the neighbours tend to say, at a Brentwood

guide - not the features but the pallor. Film actresses - those working, at least - tend to sport complexions of a leaden tone. I'm told this *See-Right* effect is a result of the creaking qualities of "slip", as pancake makeup is sometimes known.

But even the pale and uninteresting look provides nothing more than a start-up clue for the serious spotter. Grey skin is a common Californian by-product of the application of 30-factor sun screen applied religiously to ward off epidermal cancers. It also serves as a popular differentiator in LA's multi-ethnic muddle.

As for the features, only the most devoted fans would find it possible to distinguish stars from everyday earthlings, since young people especially all seem to have their features uniformly tweaked heavenwards by the hyperactive Beverly Hills cosmetic surgery industry.

Clozes rule here in Silicon Valley. Persistent watchers of TV mini-series and low-budget made-for-TV films should be able to confirm the presence in filmland of dozens of look-alikes. Early model Robert Redford and Jeff Bridgeses abound, and there are more Winona Ryders than you can shake a stick at.

Which raises the prospect that there may be more than an element of truth in local reports that the real big-name

stars, uncomfortable in the ostentatious, muck-raking, bitchy environment of their traditional home, are moving wholesale to Florida.

Wherever they are they seem to circulate in separate orbits and in reserved time zones. They have little in common, apart from financial interdependency, even with the hordes of agents and lawyers who service their egos and whom they love to abuse.

Yet their power over star-tracking tourists and locals alike remains undiminished. They are sought out, gawked at, stalked, and endlessly discussed in intimate terms by people who have never knowingly met even a film extra.

On reflection, the stars are as distant from and inaccessible to "the public" whether the audience is in actor-infested hang-outs such as Wolfgang Puck's Spago restaurant in Beverly Hills or a bar in Bratislava.

But the urge to get within hailing distance or closer remains constant because there is more than a fragment of truth in the superstition that basking in the aura is directly beneficial.

Star quality is a mightily contagious condition in even the briefest encounters. Following Divine Brown's back seat experience with Hugh Grant, Divine went on to become a TV and radio personality, a "writer" even.

Only the most devoted fans would be able to distinguish stars from earthlings

supermarket where Bundy Drive crosses San Vicente Boulevard. But even there our paths never seem to coincide to the point of contact.

There may be better places to observe the stars when and where they glitter best. Even so, do not people who shine for a living still twinkle when they go shopping? Up to a point but there are no simple clues to guide the star-spotters to their goal. Gucci pants and gold cheque-book holders are commonplace and no giveaway in this town.

Faces are probably the best

HOW TO SPEND IT



Capital of the casual and the quirky

Kate van der Heyden finds everything from inexpensive hip basics to cowboy clobber amid Amsterdam's chic bars, cafés and beautiful museums

One of Europe's most visually beautiful cities, Amsterdam, the capital of casual clothes, is the perfect destination if you want to escape from fashion. The girls look trendy in their skinny pants and high-heeled boots, but it is generally necessity, not style, which dictates the look - it rains a lot and they cycle a lot.

Supermodel good looks are commonplace here - Amsterdam girls are characteristically long-legged and curvy, with big feet. So if you are searching for that size 41 shoe and need something stylish this is the place.

Amsterdam is also a wonderful place to explore for quirky individual designs, antique clothes and artefacts. The Dutch may not be particularly fashion conscious, but they have great taste.

Whether you arrive in Amsterdam by train or aeroplane, take a taxi directly to Cafe Luxembourg, Spui 22-24, a traditional Amsterdam meeting place. Order a *koffie verkeerd* (traditional milky coffee), a slice of apple pie and immerse yourself in Dutch culture. It is possible to hire a bike for the duration of your stay, but cycling can be scary for the uninitiated.

Buy a map (essential) at the Attenmap Boekhandel bookstore across the street and plan your day as the rest of the world cycles by. The most interesting areas to see are the little streets that run between the canals.

Van Ravenstein, Runstraat 18-22, one of Amsterdam's most stylish stores, sells the widest selection of Dries Van Noten for men and women out of Belgium, along with key accessories from Britons John Smedley and Margaret Howell; sexy underwear from Americans Juan and Carlos; simple structured pieces from Dutch designers Orson and Bodil; and unpretentious knitwear

from Isabella Baines.

In this winter's collection from Dries van Noten are maxi length coats, sumptuous slim kafans and his signature long, rose, print dresses, worn with pants. Prices from £1,500 (£1,930).

Laundry Industry, Rokin 1, Spui 1, is the place to go for inexpensive hip basics such as low-rise chinos, lycra T-shirts, A-line skirts, and boxy leather jackets. Designer Ellen Steenbeck has a distinct and successful philosophy - she only produces clothes in black, white and beige. Steenbeck has 17 stores worldwide to prove her formula.

The store's interior is a witty spin on the laundrette theme, with pairs of goldfish swimming in wall-mounted washers. Next season sees the launch of Laundry's accessory line and a store in Miami. Prices range from £159 for T-shirts to £1,200 for camel suede jackets.

Lady Day, Haartenstraat 9, is the definitive antique clothing store. It has been selling unused old clothes for 20 years. Check out this season's Prada wear - white polyester hipster pants, skinny ribbed Missoni sweaters and slim suede jackets with wide lapels. Or for men, khaki fatigue pants, naval pea coats, ribbed turtlenecks. Prices are from £110-150. This is a favourite hunting ground for international stylists and designers.

Zipper, Huidenstraat 7, has funky 1960s to 1970s-style cowboy clothes. Great "aged" Levis and Lee jeans, and floral or checked, western shirts for men, women and children. Jeans start at £150 but collectors' item pieces, such as 1960s children's Levi jackets, can be expensive.

Binnenhuis, Huidenstraat 3, sells great household items, furniture and gift ideas, including bath products from French perfumers Cote Bastide and nylon lingerie from Makio Hasulke.

Pompadour (opposite Binnenhuis) has delicious chocolate truffles and

cakes, all hand-made on the premises.

Donald Jongejans, Norderkerkstraat 18, has an amazing selection of antique eye-glasses (more than 12,000 pairs) including original children's Raybans. Lots of "Jackie and Axl" originals, there are many pairs for less than £150. If you need something really specific (1920s wire rims?) you can be sure to find it here.

Magna Plaza, Nieuwezijds Voorburgwal 132, is Amsterdam's only shopping mall. It is housed in the old Central Post Office, and is a haven in bad weather. There is wonderful make-up from She Umura, on the ground floor, in washing pastel and glitter shades. There is also a complete range of professional equipment for make-up artists.

New additions include nail polish in baby shades of blue and pink from Hard Candy, as well as a full range of herbal beauty lotions and scents from She Umura. Across the hall at Jet Set, is equally groovy ski/surf/club wear from The Wave and E-Play, plus Oakley wrap-around sunglasses, and jeans from Blue System (€150).

Downstairs in the mall is basic American workwear from America Today. It has all those essential items you forgot to pick up in New York - Timberland boots and deck shoes, Levis, Sebott leathers, Champion sweatshirts and T-shirts.

Need a baby gift? Try Bam Bam on the second floor, and fill a tiny suitcase with wonderful rattles, teddies, pyjamas, even little Dr Marten's. This store is heaven for expectant parents who want something exotic for their offspring - a fairy bed for the little princess or a classic American rocking table for a prince. There are lovely flannel pyjamas for around £150 and chic terry cloth rompers, from French company Honore (€190), in chic navy, black, white and ecru.

For bigger children, Storm sells wannabe sportswear from Diesel, No No (trousers and jeans from £1150) and Paul Smith, as well as hero outfits and tutus for discerning mini shoppers. For teenagers there is the Replay Country Store, for groovy jeans and T-shirts, and a Virgin Megastore in the basement.

Time for a coffee and a sandwich at Dimitri, Prinsensstraat 6. This is a tiny café but has the best sandwiches in town. The Dutch don't eat lunch as a rule, but their midday stop for a cheese *boterham* (sandwich) means there is a proliferation

For something truly special head for the Nieuwe Spiegelstraat in the renowned antiques quarter

of great cafés around the city.

The Prinsensstraat is typical of the streets that interconnect the canals, with a myriad of fascinating little stores including Magret Nannings for 'G' for Gigi, Paul Smith Women and Girbaud; Anne Marie van Zoen, a beauty salon which sells a wide range of Aveda beauty products; Brocante (found over the bridge on the Herenstraat) for antique French linens and glass and Riviera Bloemisten, a stunning florist.

If you feel hungry and are at the other end of town, visit Cafe de Jaren, Nieuwe Doelenstraat 20-22. This is quite possibly the biggest café anywhere - beautifully modern, it is popular with students and staff from the nearby university.

Order a coffee and a *broodje kaas-et-omate*, a sort of warm egg and cheese sandwich in a dish.

There are two great shoe shops in Amsterdam, Shoebaloo, Koning-splein 7-9, on the corner of the famous flower market for Prada, Karl Lagerfeld, Sonia Rykiel and Philippe Model (prices between £1300 and £1400); and Dr Adams, Leidsestraat 26, which has its own label, plus imports from Dries Van Noten, Patrick Cox and Palladium.

Hema - the Dutch version of Woolworth - has branches throughout the city. Hema is a national obsession. It is great for basics - beautiful white cotton towels start at £10. Credit cards are not accepted, so be warned as the inclination is to buy in bulk.

Agnes B, Rokin 126, is worth visiting even if you are familiar with the London or Paris stores, as it frequently has styles in larger, longer sizes. A pair of rayon hipster pants will cost £1800, while a dark brown suede trouser suit will cost you £13000.

Freelance, Rokin 8, is the place for Chelsea boots, riding boots, loafers, great sandals and delicate evening shoes with "Queenie" heels. Prices from £1200.

If you plan to combine a little culture with your shopping, the trio of Rijksmuseum (Rembrandt, Vermeer), Van Gogh and Stedelijk Museum (contemporary art), are close to Amsterdam's most elegant shopping street, the P.C. Hooftstraat. Designers include Versace, Scaipa of Scotland for classic women's and menswear, and Stephane Kelan shoes.

Donaldson has Disney-inspired adult and children's wear that is surprisingly chic. The girls' dresses are particularly lovely, priced from £1200.

DKNY has the latest in American sportswear; and Leaser for Prada has military style suits (in Periwinkle

and chocolate brown), Gucci and Calvin Klein have beautiful, long, narrow camel coats), Armani Neve (slim quilted ski jackets in shiny nylon) as well as a wide range of Italian cashmere sweaters and low-rise jersey pants, and J.P. Todds has new suede boots and other winter basics.

For something truly special head for the Nieuwe Spiegelstraat in the renowned antiques quarter. Marij de Kaak, Nieuwe Spiegelstraat 47, has exquisite 20th century jewellery, including 1940s diamond rings (from around £12,500), heavy gold chain bracelets and wonderful one-off pieces. A gold butterfly pendant with an enormous aquamarine sells for £14,500.

Ingeborg van Ravenstein, at Nieuwe Spiegelstraat 57, is a treasure trove of exquisite silver tableware and now has a collection of reproduction 12th-17th century Dutch glass (from £140 to £1450 for a replica medieval glass wine cooler).

Ben Buleveld, Nieuwe Spiegelstraat 45a, is a toy shop for men - antique model trains and ships, telescopes and timepieces (from £1500 for a 19th century ivory cork-screw) to thousands for a train.

If you are staying the night there are many good small hotels in Amsterdam and two world-class ones. The Amstel Intercontinental (Tel 31 20 622 6060) is a Belle Epoque edifice 10 minutes from the city centre, overlooking the river Amstel. Favoured by royalty and rock stars, with magnificent rooms, prices range from £1615 for a double, to £14,250 for the Royal Suite. With its elaborated restaurant, sumptuous lounge and swimming pool, the hotel is perfect for a romantic luxury weekend. Guests are ferried into town on board the hotel's water taxi.

The stately Grand Hotel, Oudezuidsvorburgwal 197 (Tel 31 20 555 3111) is perhaps low key in compari-

son but its location more than compensates. It is in the heart of the old city, next to the notorious (but fascinating) red light district. The building was once the old City Hall and is classic turn-of-the-century Amsterdam architecture. Donhle rooms start at £1645, suites from £1795. Cafe Roux, managed by Albert Roux, is also recommended.

For a taste of Holland, head back to the Spuisstraat where there are a variety of restaurants. Try Kantil en de Tyger at Spuisstraat 291-293 (Tel 620 0639) for authentic Indonesian cuisine in a bistro atmosphere. If you are hungry order the *ristafel* or rice dinner (an Indo-Dutch invention).

Lucius at Spuisstraat 247 (Tel 624 1831) is a traditional Dutch fish restaurant - tiny Dutch shrimps or *garnalen* are a speciality. Bordewijk on the Noordermarkt (Tel 624 9899) is more elegant, specialising in modern French cuisine. Zuld Zeeland at Herengracht 413 (Tel 624 2154) also has a French influence in an intimate, charming room, perfect for a romantic evening. For good bistro food in a smart garden setting try Brasserie van Baerle at Van Baerle Straat 158 (Tel 679 1532) - the service is great. Amsterdam's nightlife centres around the bars and clubs that make this city one of the most popular rock and roll locations in the world. Try Paradiso for new bands or, if you are lucky, intimate shows from superstars - the Rolling Stones recorded *Stripped* there last year.

If the intrepid circus, Cirque du Soleil, is in town see it in its magnificent new-age tent on the Museumplein, or alternatively, do the casual thing - pack a picnic (there are small dairies on most streets that sell sandwiches, wine, beer and other essentials), order a private water taxi (let your hotel book one in advance), and cruise the canals by starlight - this is Amsterdam beyond compare.

Benjamin Disraeli was a fan of the walking stick. "It is wonderful the effect those magical wands produce. I owe to them even more attention than to being the supposed author of - what is it? I forget," he wrote.

Today these splendid accessories owe their primary association to the National Health Service and the abundance of

skiing accidents which occur each year. Yet who can question the elegance which is bestowed on occasions such as Royal Ascot, the Henley Regatta and the occasional

society wedding when a dashing gentleman, possessed of a certain sartorial flamboyance, chooses to use a cane.

The history of walking sticks dates back to early Egyptian times. The Pharaoh Tutankhamun's ante and burial chambers were disinterred to reveal a large collection of walking sticks and staves. However, it was following the industrial revolution of the 1830s and the ensuing affluence of the Victorian era, that the cane came to prominence and widespread use.

Gentlemen did not carry sticks, they wore them. An integral part of male attire, their psychological support was far greater than their physical contribution. They lent a sense of power and control. They added swing to your step and imparted elegance and social status to your appearance.

To wear a stick properly required the possession of three: the paler Malacca cane for day, strong and light; a black ebony, eboussé or rose-wood version for elegant evening apparel; and a country stick in beech or elm for hardy rustic pursuits. The first world war brought about their early

demise. Life became simpler, men's dress became less decorative and walking sticks were employed, almost uniquely, by those who were bequeathed the unwanted legacy of war-wounds. In 1900, there were 60 cane shops in London. Today there are three, only two in British ownership.

Saved from near extinction by determined gentlemen who refused to succumb to slovenly dress, canes have also been favoured by many of Hollywood's leading men. Fred Astaire could never have tilted his *Top Hat* in 1935 without the aid of his ebony, silver-handled stick, while John Wayne's *Quiet Man* of 1952 would have collapsed in a whimper but for the blackthorn which he wielded with such passion. Most recently, Emma Thompson's adaptation of Jane Austen's *Sense and Sensibility* raised the international profile of period drama and dress, elevating the cane, once again, to a position of vestmental indispensability.

Established in 1830, James Smith & Sons moved to its current premises in 1857. Lines of newly carved walking sticks crowd the interior, their handles bowed in reverence to an

A cane provides the finishing touch

Damian Foxe highlights the magical effect that wearing a cane can bring - at prices from £11.75 to £2,000



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illustrious past. The names of William Gladstone, Bonar Law and Lord Curzon grace the antiquated order books of James Smith & Sons' heyday.

"The choice is immense," explains Jonathan Wardle, buyer at James Smith, "but the range of prices is dictated by the style of the handle."

Every conceivable medium, from hand-blown glass to oxhorn, is employed to create unique and beautiful pieces. "Our basic chestnut stick, a slightly nicer version of what you receive at the hospital, will set you back £11.75," while the "snake-wood" cane with walrus tusk handle, which is cre-

ated to commission, will cost £2,000. For the stick novice, an elegant and gentlemanly ebony cane with a silver band handle at £225 is a good starting point.

Sticks are cut to size, using a telescopic measuring cane. "Your arm must be slightly curved when holding your stick, but allow sufficient room

to swing it properly," explains Wardle. He adds: "Although stick etiquette was strict in the 18th century, rules have relaxed. Once the length is correct, people will generally find their own way of walking with the stick."

For discerning collectors, Michael German's antiques emporium at 38b Kensington Church Street, London W8 (0171-937 2771) specialises in antique walking sticks. Stock dates primarily from 1840 to the first world war, although there are occasional rarer canes from other periods.

"Most of my customers come from the continent, the US, south east Asia and Japan," explains German. "Victorian sticks range from £80 to in excess of £800 for something very special, although earlier this year, Sothebys in New York registered the sale of two rare Fabergé sticks, sold on behalf of Frank Sinatra, fetching between £8,000 and £10,000 each."

German stocks many fine pieces. One exquisite example with a piqué handle was created between 1860 and 1920, its handle decorated with small dots of silver pushed one by one into an ivory base, forming a tulip pattern.

Wearing a cane requires elegance, style and a little flamboyance. And in the manner of Disraeli, a quick wave of your magical cane and you will be more than able.

صوتنا من الامم

Long, I
by I

WARDROBE

FASHION



Pictures from left to right: Plum-coloured, embroidered skirt, £210 and sleeveless stretch viscose top, £125 by Ghost, from Liberty, Regent Street, London W1 (stockist inquiries: 0171-980 8121); Ghost's long, lightweight viscose skirts are flattering, versatile, travel well and are perfect for hot weather. In this fashionable plum colour the skirt can be worn through autumn and beyond with a long cardigan or sweater on top.

£330 and tunic dress, £490, by Norma Kamali from Browns, 23-27 South Molton Street, London W1 (tel: 0171-491 7833). This beautiful print skirt that is effortlessly chic is perfect for smart, hot-weather functions but would also look elegant with a long silk knit sweater or tunic top for spring. This is the sort of classic, flowy skirt that you could wear several seasons down the line.

£2610; blue and gold knit top, £200; and chocolate wool gabardine jacket, £480, all by Dries Van Noten from Browns. The skirt is part of a range of silk chiffon sarongs by the Belgian designer and can be worn with a sleeveless summery top or smartened up with a tailored jacket for autumn.

languishing on a terrace. The addition of Spandex means that it will keep its shape and hang beautifully.

Navy crepe satin bias-cut skirt, £120 by Jackson, from the Cross, 141 Portland Road, London W11. (Stockist inquiries: 0171-792 8336). The plain, navy skirt goes well with this black sleeveless top, £49.95 by Jigsaw, 126-127 New Bond Street London W1 (tel: 0171-491 4461).

Long rose print silk chiffon skirt, £120 by Jackson, from the Cross, 141 Portland Road, London W11. (Stockist inquiries: 0171-792 8336).

Turquoise and chocolate, silk chiffon sarong with gold embroidery, £120 by Jackson, from the Cross, 141 Portland Road, London W11. (Stockist inquiries: 0171-792 8336).

Sage green silk stretch skirt £400, and camisole top, £260, all by Donna Karan from Browns. The skirt and camisole would be perfect for glamorous summer evenings spent languishing on a terrace.

Drawings by David Downton

Long, lean and luxurious by night or by day

Alluring ankle-grazing skirts are back in vogue, says Karen Wheeler

Imagine for a moment a typical summer scenario. You are sipping a Martini on a friend's terrace at sunset. But instead of the ubiquitous, short summer shift dress and high heels you are wearing a long flute of ankle-grazing chiffon topped by a lean, sinuous knitted silk cardigan and a pair of flat, strappy shoes. You look cool, comfortable and elegant - and better still you do not have to worry about baring those legs that look too pale, plump or mosquito-bitten. Thanks to trend-setting designers such as Calvin Klein, the long skirt is set to be fashionable again for autumn. But many of us will be only too happy to adopt the look before then, since long skirts are the most flattering warm-weather option. One only has to think of Jemima Khan - who never looks anything but calm and unruffled in the long, floaty layers of her Stalwar Kamess - to realise that, however high

the mercury is climbing, less is not necessarily more. According to Tanya Sarna of Ghost, whose best-seller every summer is a long, fluted viscose skirt with an elasticated waist, the long skirt has never really gone away. It is elegant, cool and comfortable. Significantly, Ghost's long, languid clothing is a particular hit with fashion editors, many of whom cheerfully prescribe short, hipster skirts for their readers but prefer a more practical look themselves. The long skirt is unrestrictive and does not require impractical high heels to look good. Moreover, ankle-length skirts can be very alluring since, in lightweight and semi-transparent fabrics (if you dare), they lightly veil the body and give a tantalising outline of leg underneath. Historically, whenever designers have tried to resurrect the long, tailored skirt they have failed miserably, since such styles - together with dirndl, pleated and pencil skirts - are aging, schoolmish-

treous and notoriously difficult to wear. The best designs for this summer are gently flared or cut on the bias and come in floaty, ethereal fabrics such as silk chiffon, floral georgette or practical, scrunchy viscose crepe. The sarong skirt is an excellent option and is on the brink of a big revival. Nicole Farhi did a version in copper coloured Madras checks for summer while Maria Graciovogel's gold printed sarong was a hit in Liberty. If you hurry, there might be a few left in the sales. Alternatively, you could follow the lead of fashionable young women who have simply been knitting a piece of patterned fabric about their hips for an effortlessly chic look. Better still you could invest in one of Belgian designer Dries Van Noten's luxurious sarongs. This version takes a humble, functional garment on to an altogether different plane. They are especially tempting in chocolate or cream silk chiffon with opulent swirls of gold or silver embroidery and have proved a huge hit with customers. They look wonderful with a plain top for evening but can also be worn with Van Noten's neat, tailored jackets as an interesting substitute for the two-piece skirt suit. So what should you wear on top to ensure that a long skirt looks fashionable rather than frumpy? Summery sleeveless vest and halter neck tops are one option but are by no

means mandatory since long skirts look wonderfully elegant with long, lean knit cardigans for a silhouette inspired by the Great Gatsby era. Choose yarns with a sheen to them - in either knitted silk, such as Donna Karan's highly covetable cardigan, or a shiny synthetic. If you have long hair it is a good idea to pin it up as this elongates the silhouette and looks more elegant with long layers of clothing. As for shoes, Tanya Sarna always carries two pairs: flat sandals or trainers which she wears with a plain T-shirt for day; and high strappy heels which are teamed with the same skirt and a glamorous, stretchy Ghost top for evening. The question of how to wear it and what style of skirt to buy, however, is secondary to where to go to buy it? August is always a difficult month in which to shop for something special since most stores either offer an insipid selection of left-over sale items, unlikely to inspire anybody or are already stocking sombre autumn collections. Some shops do seem to be offering trans-seasonal or "bridge" collections - so-called because they bridge the void between one season and another. The best of these come from American designers such as Donna Karan and Norma Kamali who realised long ago the importance of selling clothing appropriate to the climate. They offer a total look - the cardigan that goes with the camisole that complements the skirt, for example - but the

components will also work well separately. A few more enlightened high street chains such as French Connection and Oasis have also started producing trans-seasonal ranges. Good buys include French Connection's paneled viscose crepe skirt in cornflower blue, white or ink (£40) or cypress rose skirt in a navy and white floral print. Nicole Farhi did a very pretty, long, slightly A-line skirt with Chinese embroidery for summer and has a few styles remaining, though these are strictly for the slim and flat of stomach. At Laura Ashley a black/filac floral print viscose skirt (£49.95) is a good buy while Paddy Campbell has fluted skirts in raspberry or taupe, washed-silk effect fabric (£59 in the sale). Another option is to choose cleverly from the new autumn collections. Dries Van Noten's sarongs are lightweight enough for summer but with warmer layers on top could easily be worn all year round. The same is true of Ghost's practical viscose crepe skirts. Choose one in chocolate or plum: brown looks great with a tan now and is also set to become the new black this autumn. As a general rule a light, long skirt will focus attention on the lower half of the body; dark tones detract. All of the styles shown above can be worn for day or evening and have longevity: they are perfect for hot weather but with an elegant cardigan or belted sweater, will work well in autumn and early spring.

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PROPERTY



A FF100,000 cottage near Domfront from La Residence

France still offers value

Gerald Cadogan goes house hunting north of the Loire

Rural France is remarkable value. In the north-east the buyers come predominantly from Paris and Lille and there are many Dutch and Belgians, says Isabelle Honoré of agents L'Abri-tannique. Why? In spite of the pound's decline since September 1992, from a value of FF110 to FF77.78, hitting UK buyers and holidaymakers, cheapness remains a reason for choosing France as a second home destination. Similar properties do not exist in England or the Netherlands at French prices. For UK owners who need to sell, the pound's devaluation means they can afford to push through a sale by dropping the price in France, even if they bought in the boom of the 1980s. At the end of the deal they will receive much the same amount in pounds as they invested. "The French are keen on buy-



The Bagatelle near Abbeville. FF6.5m from agent Philip Hawkes



Château de la Paluelle (FF9m) near St Malo



A Colomagne house near Livarot for FF1.6m

of Paris agent Philip Hawkes, which established a leading position in grand country houses. "Every deal that comes off is a miracle," she says. This is not for a lack of rich buyers, but because "it is hard to find them their perfect property". They complain about the state of repair, the lack of land or the environment. Château prices are very much priced on an individual basis, she says. In the UK the comparable country house market is more fluid and it is easy to establish the going rate for such a property. The French like their main residence to be in a large city and all they require in the country is a *pièce de terre* - even if it is as big as a château - which they can shut up when they do not want to use it. Hawkes has a gem in the Ile de France with more than 200 hectares for FF35m, but cannot mention the name. For FF6.5m, the firm's jewel

so the public market is an 18th century rococo confection called Bagatelle at Abbeville, which has been in the same family since 1810. About an hour from Calais, it is a delight of ornate painted panelling and plasterwork. Its 10.5ha (one ha equals 2.5 acres) include a plantsman's shrub garden - a rarity in France. Bagatelle appears in many books on French architecture and has won prizes for its restoration after bomb damage in 1944. A smart alternative close to Amiens is the château at Fresnoy-au-Val, built in 1860 in an 18th century style, and now improved by an indoor swimming pool. With less ground than Bagatelle, it costs FF3m through Irène Mühlenhoff or Christoph Roth. Other handsome châteaux from Hawkes include Fontaine-les-Nonnes, 45km north-east of Paris, which accentuates firm Price Waterhouse bought seven years ago as a training

On the move What to do when buying a second home

The vendor normally pays the agent's fee on French houses, but check that is the local practice. There is no extra charge for using UK consultants as they split the fee with the agent in France. You should find them a help before you make an offer. A visit to the mayor is also sensible, preferably in the company of someone who knows him. He has far more power than any UK counterpart and should know of development plans that could affect you. Allow at least 10 per cent of the price for extras, mainly the registration tax and the fees for the *notaire* (who works for both sides), although they are reduced until the end of 1996. A FF400,000 property should now attract fees of 8.5 to 9 per cent, against a usual range of 10 to 12 per cent. Decide what will happen to the house if you die in a car crash since, under standard French law, the Code Napoleon applies and ownership will be split. One solution with jointly owned property is to put a *testamentary* clause in the conveyance, which the *notaire* can advise on. A French will is also wise, but let your lawyer at home see it before you sign. Two helpful books are *At Home in France* by Jane Hawking (Allegretto, £6.99), with an excellent glossary of building terms, and *French Housing, Laws and Taxes* by Frank Rutherford (1996: 73-999).

■ A 19th century classic town house, with walled garden in Langeais near the Loire, would make an ideal base for exploring the region's *châteaux*, perhaps visiting the great *potager* at Villandry and tasting the wine. The price is FF900,000 through Domus Abroad (0171-431 4692). The agent also offers the 19th century Château de Bois Giraud, near Bèanpreau, a little south of the river for FF3.045m. North of the Loire in the Sarthe valley near La Mans, a splendid 18th century listed *château* with 13 bedrooms and 75 hectares (including a formal garden and park) is for sale for FF7m from Sifex (0171-384 1200).

■ In the less visited centre of France - by British visitors, that is - the fairytale Château de l'Isle at Touchay, south of Bourges, is for sale. Dating back to the 12th century, it has 9ha in the water meadows of the river Arnon and is offered privately at FF15m (01608-666291). A further 100ha could be available. The owners, an Anglo-French couple, are selling because of a decision concerning where to educate their four children.

■ A humble alternative in the same region of the Cher is a winemaker's *ferme* near the village of Sancerre, which sits on a hill above the Loire - and across the river is Pouilly-Fumé. The cottage has damp courses and electricity, but still needs work. The price is FF325,000, all fees and taxes included, from Coeur de la France (4874 5526 in France, 0171-254 4570 (UK)).

Gerald Cadogan

LONDON PROPERTY

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Gardening Rain restores border beauty

Robin Lane Fox says a weed harvest is a small price to pay for colour

Last week I stood in the Bristol Botanic Gardens and tried to contemplate their spiky Agaves and other plants for bone-dry gardens in summer. I was reminded of a visit to a deeply respected academic colleague in the later stages of his life. During the visit I had thought I would cheer him up by suggesting that one or two of my more amiable contemporaries might be induced to come and call. I hit on the name of an apparently broad-minded philosopher. There was a pause, and he answered: "I suppose it might come to that."



Dahlias flowering again after the recent watering (John Shearer)

It looked as if it was coming to Agaves in southern England, but now it has rained and Britain can enjoy a slight not seen for two or even four seasons. Heavy rain on the turn into August restores the colours, enhances the grass and reminds us what we were all hoping to achieve with those careful plans of borders for flowering after the roses. At last, once again, one can see the true beauty of phloxes. No family among familiar border plants hates dry weather more intensely. I ban the brilliant carmine, the rose-salmon and the excessively strident shades of purple-marve. The rain has done wonders, however, to the self-explanatory Lilac Time, the especially vigorous White Admiral, which remains my first choice, and the subtle, rounded heads of the white Miss Lingard. After the rain, phloxes will respond to further feeding with liquid manure which the soil will pass on to them and which intensifies their colour and their willingness to flower a second time in autumn - that is if you dead-head them promptly. The recent dry summers have also taught me that there is a class of sun-loving plants which are very much better for regular, quick-draining water. It seems to be important for most of the best things from South Africa, especially the pink, red and white kafir lilies, or schizo style, which are otherwise such a joy in August and autumn. They flower half as well if they are too dry in June and

July and so I have been watering them rigorously in the past hot spell. Crocosmias are similar in all their increasing range of colours and sizes. Last winter, I lost none of the forms which are so spectacular in mild gardens and whose hardness is still uncertain. Even the orange Star of the East is still with me and I begin to think that the bigger danger is drought, not frost. If you can water these corals in the growing season, they do seem to flower and increase much more freely. A love of sunshine does not entail a similar love of drought. Those of you who write in and say that these new stars of English gardens are unsatisfactory in Italy or Spain are probably confirming the view that they like a regular gentle rain. They are worth the effort because the yellows, flame scarlets and the variations in shape transform what used to be called the dull days of August. Like these South Africans, dahlias have taken poorly to a dry season. Perhaps you can identify with my variable collection, divided between those which I had the energy to water and feed and those which were treated at random and sometimes left to the mercy of insects.

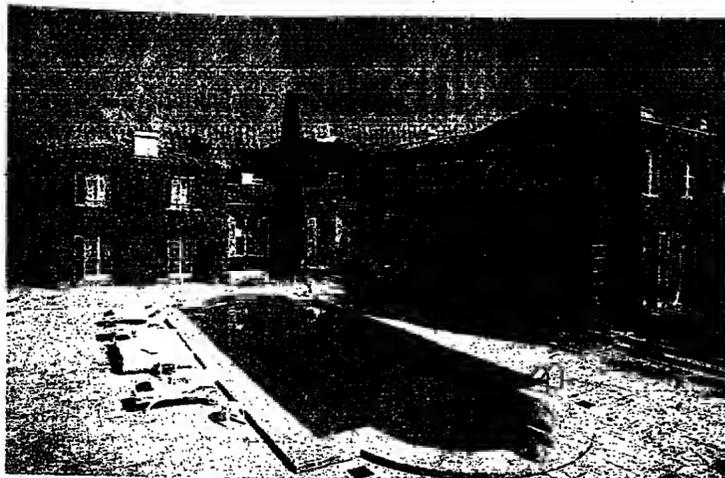
you rest the iris's new rhizomes. They should not be buried or tilted downwards, as I saw them being interred in a public park last Tuesday. They flower properly if their surface is exposed on the soil to the sunshine and their roots run down either side, like the legs on a giant centipede. If the rain means business, it is certainly worth dead-heading the flowers which are most capable of a second showing. Delphiniums should certainly be decapitated and there is more than personal pleasure in removing the old flowers of roses which are able to come again. They will respond to the change in temperature and the rain should encourage a second season which was often erratic in the longer drought last year. What is good for flowers, is also, of course, good for our eternal enemies. Weeds love it too and the result of the merciful rain will be an astounding surge of seedlings in every corner. I suppose they are only hiding for a home. However, I intend to hoe wherever there is bare earth and dislodge the little blighters before they catch me on holiday. Two years of drought have led a harvest in the soil, as we experienced briefly when it last rained in May. You never get something for nothing, but I am prepared to get no seed of chickweed in return for the sight of my borders, gleaming not drooping in the last of an evening's patchy sunlight.

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PROPERTY



La Bastide Grande, near St Tropez, is a spectacular house in formal gardens with swimming pool and helipad



Provence-meets-the-Comran-Shop in this Robert Dallas house - for rent by Riviera Retreats at FF45,000 a week in high season

Rent or buy: chacun à son goût

If you are considering the South of France, look for owners letting out their houses. Anne Spackman reports

It is never coming back to the South of France," Elton John declared angrily to thousands of television viewers last month, after a woman had the nerve to wave at him on the tennis court of his hotel in St Jean Cap Ferrat. He may never go back to the hotel, but having just spent more than FF25m (£3.10m) on a house overlooking Nice, it seems unlikely he will desert the region altogether.

Elton John is the latest in a long line of the seriously rich and famous to fall for the charms of the Côte d'Azur. Earlier this year there were suggestions that the area's magic was beginning to fade under a cloud of traffic and environmental pollution. Certainly the masses have thinned out: tourist numbers were down last year. But, by contrast, scheduled flights are often full. It may be that the area is regaining some of its former exclusiveness.

There has also been a migration back from the coast to pretty hilltop towns such as Grimaud, La Garde Freinet and Mougins. This is partly the result of high prices but there is also a feeling among established residents that the coast had become *de trop*.

A similar shift westwards has

also occurred, with those priced out of Provence buying in the Languedoc/Roussillon regions.

The French market - even on the Côte d'Azur - has seen prices fall by 30 per cent since it went into recession in the early 1990s. This year there are glimmers of recovery. Agents say prices have bottomed out, and, after three quiet years, buyers are reappearing.

One of the most serious properties they are visiting is La Bastide Grande, a spectacular house in formal gardens, with a swimming pool complex and helipad, between the beaches and the shops of St Tropez. Currently the base of one of the drivers in the Benetton motor racing team, it is on the market with Hugo Skillington, Knight Frank's representative in St Tropez, at FF75m.

In such a low volume, nervous market, agents' prices are a very unreliable guide to the value of a house. Properties are selling for as little as 60 per cent of the original asking price. In reality, prices seem to have settled at around 1987 levels.

Jacques Chataignier, president of John Taylor, the largest group of estate agents in the south of France, says: "The kind of people who sell here do not have to take

low prices. If they can't sell this year, they will wait until next year. That said, if anyone is thinking of buying, this is definitely the right time to do it."

At the moment the only people who are doing it are international buyers. Normally the market is split equally between French and overseas. This year Chataignier says 90 per cent of his business is international.

Of the overseas market the British are the largest single group, with the Germans, Scandinavians and other northern Europeans making up the rest. A few Americans still purchase and some Hong Kong money has started to appear.

For British owners, the *franc fort* policy, which has seen the franc rise 25 per cent in value against the pound, has cushioned them from

the worst effects of the recession. However, it has also scared off potential British purchasers. For other northern Europeans, with currencies barely affected, there are some good deals.

The Germans tend to go for the best houses, in the smartest places, in very good condition, according to Michael Zingraf, a German agent based in Cannes. Most northern Europeans follow the same pattern, with the coastal strip still the most favoured spot. The British are alone in preferring older houses with renovation potential.

One bonus of the recession is that buyers can afford to knock down a poor house in a good location and build something better in its place. One of the most popular architects for that kind of project is Robert Dallas, based in St Paul de Vençe.

His very recognisable style combines old materials with a modern concept of light and space. Each house takes about a year to build and costs anything from FF3m to FF10m. Riviera Retreats, which rents out some of the smartest houses in the region, is letting a Dallas house set in the hills above Tourrettes. Its style could be described as Provence-meets-The-Comran-Shop. With six bedroom suites it rents out at FF45,000 a

week in the high season.

Although the majority of owners are rich enough to ride out the recession, a few have taken a fall. The key is spotting the one or two in every patch who have to sell.

One good way of doing this is via the rental market. Owners who cannot find a buyer at the right price are likely to let their property to maintain their income. The rental agent will know if they are open to offers and the buyer has the chance of trying the property out.

A villa sleeping six people, with a pool, in the hills is likely to be let for around FF15,000 a week in high season. The most spectacular properties on the coast will go for 10 times as much. Richard Wolf, of Riviera Retreats, has let a luxurious villa at St Jean Cap Ferrat with eight bedrooms and bathrooms, a large pool, gymnasium and ornamental gardens for FF140,000 a week - and it is not the most expensive property on his list.

He is letting a beautifully restored, traditional farmhouse in 15 acres outside Grasse, with light interiors and a large pool, which the owner is looking to sell. With 10 bedrooms and nine bathrooms it costs FF50,000 a week in the high season. The sale price has fallen from FF18m to FF14m.

Wolf says families often buy a house when their children are small and let it when they hit the Disney-land age. They either come back when the children reach their late teens or they sell.

Until four years ago, Wolf says you could let anything as long as it was in the south of France. Now owners have had to up-date and improve their properties to be guaranteed a good income.

The prices may seem high, but at that level people are often choosing between renting a villa or chartering a yacht. According to Camper & Nicholson, yacht brokers, weekly yacht rentals cost from \$55,000 (£35,250 up to \$150,000 a week, plus 20 per cent VAT, plus another 25 per cent for on-board costs for a boat that sleeps 12. By comparison, a villa looks relatively cheap.

Whatever is happening in the mass market, wealthy people are still attracted to the south of France. As Hugo Skillington says: "This is the nearest sophisticated sun and sea to the big financial centres of Europe and that ain't going to change."

(International code for France 0033) Riviera Retreats 93 12 34 00; Hugo Skillington 94 43 28 63; John Taylor 93 38 00 66; Robert Dallas 93 32 97 42; Michael Zingraf 92 99 19 19

Durrell house for sale

When Lawrence Durrell bought his cottage just outside Nîmes in the mid-1950s it consisted of a kitchen, sitting room and bedroom in 27 acres of olive groves.

"He liked the area so much because it was hot, Mediterranean and sunny - like Greece - plus it had the advantage of really good food and wine," says Lee Durrell, widow of his brother, Gerald.

The Mazet, as he called it, was the house in which Lawrence Durrell wrote the books which made his reputation, including the first part of the Alexandria Quartet.

He gradually extended the property, putting in bathrooms and more bedrooms for his children, before moving on to a grander home at Sommières.

Gerald Durrell, who had been a frequent visitor to the house, decided to buy it from him in 1982. He and Lee added a conservatory, a swimming pool and a vast writing room with a fireplace and tiled terracotta tiles, where they spent up to six months of the year writing.

Lee was part way through landscaping the garden when Gerald died last year. "I've been down about three times since, but it's not the same at all," she says.

Lee Durrell is now selling the house, land and two cottages for FF75m. She can be contacted at her office, at Jersey Zoo on 01534-864666.



Gerald Durrell's former house includes an olive grove

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SPORT

Golf/Derek Lawrenson

Jack Nicklaus invents his own Valhalla

The USPGA Championship, golf's fourth major in every sense, will be staged next week at a new Jack Nicklaus course outside Louisville, Kentucky, called Valhalla.

Just looking at the scorecard is enough to make the heart sink: only two par fours under 400 yards; the four par fives range in length from 515 yards to 605; the total yardage is 7,164 yards. Accordingly, we know what sort of major championship this is likely to be: a boring test of attrition.

Why does the greatest name in golf seemingly design every course placing the emphasis on length and difficulty? Nicklaus grew up playing golf on a Donald Ross course in Ohio but the work ethos of the great Scottish architect, who was responsible for many of America's

grandest designs, seems to have escaped him.

Ross wrote: "People seem possessed with the idea that length is the main desideratum but it is beyond all argument that many a long course is noticeably uninteresting in contrast to shorter ones that are well thought-out and skillfully constructed."

Nicklaus, perhaps, would argue that Ross did not foresee the advance of equipment that now enables players to hit the ball much further. But does this road always have to lead to the likes of Valhalla, and

golf courses that try to make up in size what they lack in personality?

The other question, of course, is why the organisers, the PGA of America, chose such a venue. The simple answer is that it is a course in which it recently acquired a controlling interest and it did not do so to host its monthly medal. So, alas, expect a Ryder Cup to be held there as well within the next decade. At least the USPGA Championship will be well attended, with all 35,000 tickets each day having sold out over a year ago.

What makes the choice so unfortunate is that the PGA of America has tried successfully in recent years to upgrade the event. Its reward has been some enterprising winners. Five years ago a blond-haired hick drove through the night to hang around the first tee on the opening day.

He was the first choice to step into the tournament if anyone dropped out and, when Nick Price duly did drop out, to be with his wife at the birth of their child, he was naturally delighted. The orthodox story for such players is to struggle

to live up to their good fortune for they have had such poor preparation. But John Daly, for it was he, always did do things differently. He went on to win, drinking beer and walking among his adoring gallery on the final day, signing autographs in between shots.

What the game would give for another young player to emerge next week. The three majors to date have all been won by players pushing 40, and, in these days of improved health and fitness, a golfer's prime years, when experience and talent meet, do appear to

have been pushed back into the late 30s.

But there is nothing better than seeing a young man fulfil his potential and a victory for the likes of Alexander Ojeda, Michael Campbell, or, in particular, Ernie Els, would do much for the game's image. Els has contended for four of the last five major championships but, in his own words, has "been unable to finish the job".

One thing that should work in favour of the younger players is Louisville's stifling weather. It will not be much fun spending six hours each

day under a broiling sun in high humidity. Colin Montgomerie will certainly be glad he lost excess poundage last winter.

No doubt the usual suspects will be rounded up and discussed in the days leading up to the Championship. Nick Faldo showed at the Open that he is in good form and will be seeking one of the two major titles that continue to elude him; Montgomerie, who lost a sudden death play-off to Steve Elkington last year, needs to win to prevent his season petering out; Phil Mickelson

should prosper on the big, undulating greens and Fred Couples' high approach shots will find favour. But the trouble with unimaginative courses is they tend to produce unimaginative winners, so do not be surprised if a hitherto anonymous American enjoys his 15 minutes of fame.

The tag of sentimental favourite, meowwhite, will hang once more from Greg Norman's neck even though the Australian, who has overcome so many disappointments, is struggling to put behind him the grotesque happenings at Augusta in April. At the Open at Lytham last month he admitted that he had little motivation. For him at least, Valhalla, resting place in Norse mythology for slain heroes, appears a sadly fitting venue.



Left: Portugal's Paulo Alves clashes with Argentina's Roberto Sensi during Portugal's 2-0 defeat, and right, Celestine Babeyoro of Nigeria celebrates his goal against Brazil. His team went on to win 4-3



Right: Celestine Babeyoro of Nigeria celebrates his goal against Brazil. His team went on to win 4-3

Olympic football/Peter Aspden

Exotic final for the other Athens

You begin to wonder whether the Americans have yet got the bang of soccer when you see a street vendor selling T-shirts with the slogan "Kick Me" emblazoned across the front. But the relationship between this mighty nation and the game it is so anxious to understand is going through a good spell right now.

Olympic soccer has attracted extraordinary crowds in the various venues around the country, tempting a total of more than 1m spectators to embrace the cause so far.

The average crowd number of about 34,000 is impressive especially when one considers that some of the games here - Denmark versus Sweden in the women's competition, for instance - have been less than compelling.

The final stages of the tournament are being held in Athens, Georgia, a peaceful university town which has taken full advantage of its fortuitous name to organise a "Panathenic festival" during these centennial games. The posters feature graceful Ionic columns and laurels, which is more than a touch misleading.

The only architectural detail to have aroused local passions is a hedge which has surrounded the Sanford Stadium, in which the soccer matches are being played, since its construction in 1929. The hedge has been something of a symbol for the local college American football team, the

Georgia Bulldogs; but parts of it have had to be uprooted to widen the pitch.

Traditionalists curdled: this was nothing less than an attack on American values. But the crowds have answered back. The enthusiasm for soccer is palpable and genuine. As a compromise, small parts of the hedge have remained in place; but the heated debate has turned into an irrelevant sideshow. More to the point: the South Americans and the Africans are in town.

Today's gold medal match between Argentina and Nigeria may not provoke the intensity of a World Cup final, but it is an important game in its own right. Olympic football is essentially an under-23 tournament, with three over-age players allowed in each squad. The restrictions were demanded by a nervous FIFA, world football's governing body, which was worried that its own World Cup tournament would be over-shadowed.

But South American and African countries use the Olympic competition to blood their young teams for the next World Cup. Add a sprinkling of experience, and the sides are not far short of the real thing.

Argentina, 2-0 winners against Portugal in the semi-final, have Javier Zanetti, Diego Simeone and their richly talented play-maker Ariel Ortega, all of whom might expect to feature in the full national side, in their squad.

Nigeria, who sensationally beat Brazil in extra time after being 3-1 down

with just 13 minutes to go, feature Daniel Amokachi of Everton and Kanu, the young Ajax striker who is poised to join Inter Milan.

Brazil's team was even more star-studded, featuring Juninho, Ronaldo, Aldair and Bebeto. But defensive lapses and a touch of complacency cost them dearly in the semi-final as Kanu scored a last-minute equaliser and a golden goal winner just four minutes into extra time.

Patriotism, rather than curiosity or fanaticism, has inspired US support

The European sides here have not been so strong. The Olympics always coincide with European Championships, so there is a definite B-team feel to their squads. Still, Italy brought a respectable team to the US, only to be beaten by Mexico and Ghana in the group games.

The sub-text here was the performance of manager Cesare Maldini, hotly tipped to succeed Arrigo Sacchi as coach of the full national side after Italy's disastrous Euro 96. He has hardly shone. Spain, too, were power-

ful on paper, but lost 4-0 to a rampant Argentina in the quarter-final.

The Argentines were more relaxed in their victory over Portugal, adopting the Michael Johnson approach to qualifying for finals: easy does it. In truth, it was a dull match for the crowd of more than 70,000, who must have expected more.

It is the standard European put-down of American soccer crowds that they are very willing to clap and cheer, but do not know when to do so. Even the most fervent aficionado would have found it tough here, however. Only the neatly taken goals of tournament top scorer Hernan Crespo, just signed for Parma from River Plate, lifted the torpor.

Anyone returning the following day to see Nigeria's victory over Brazil might have thought they had stumbled on an entirely new sport. Here was a classic confrontation, full of skill, drama, mistakes and emotion. It was a breakthrough day for African soccer. The Argentine coach, Daniel Passarella, will not make the mistake of underestimating his opponents.

Remarkably, the women's tournament, featuring for the first time in the Olympics, has attracted equal attention to the men's contest. Here, it is patriotism rather than curiosity or fanaticism which has inspired support. The US were favourites for this tournament, and were lifted by more than 64,000 people in their extra-time semi-final victory over Norway.

Striker Mia Hamm features in a high-profile advertising campaign by Nike, and is fast becoming a household name.

There is little correspondence between the strength of women's teams and their male counterparts. The notable teams in the competition, apart from the US, have been Norway and China. Brazil surprised everyone, not least their own compatriots, by reaching the semi-finals. But that might just be something to do with the extraordinary names on their team-sheets.

Consider this: not only do you have to contend with Suzy and Fanta in their back four, but then you have to beat the mighty Meg in goal. And if that is not enough, there is always Michael Jackson in attack. Yes, Michael Jackson. "Brazilians often take nicknames, like Pelé and Zico," explained a spokeswoman. But Michael Jackson? "Well, she looks a little bit like him."

She was not the only Brazilian to have turned ghostly white after that famous Nigerian victory in the men's tournament, however. Coach Mario Zagallo paid tribute to African football after the match and hailed a "beautiful game", but fighting for the bronze medal, just like the women, is not what he had in mind. The Americans will be out in force for the final, cheering those who have brought colour and exoticism to their town.

Olympic sailing/Keith Wheatley

A great week for small landlubbers

Olympic sailing is generally a reasonably predictable business but the past week in Savannah stood the firm book on its head.

Hot favourites discovered life at the back of the fleet and countries with no record in yachting took home the silverware. Lai Shan Lee won the women's boardsailing to give Hong Kong its first - and last - Olympic gold medal.

When the 25-year-old sports administration student defends her gold medal at the Sydney games it will be under the Chinese flag. "I sailed conservatively as I had better boat speed and was physically fitter than the others," said Lee, who won with a race in hand.

Mateusz Kusznierewicz gave Poland its first ever yachting gold with a win in the Finn class. He had never won a major regatta in the single-handed dinghy and was a surprised medallist.

In a sport that depends on split-second timing Kusznierewicz tried an unconventional approach. "After four days of racing my watch broke. Until then I hadn't been doing too well," he said. "I didn't wear a watch on the last six races and I had really good starts."

It had been a great week for the Eastern European sailors, confounding the Anglo-Saxon belief that a long coastline and a seafaring tradition wins Olympic medals. The Ukrainian men's 470 dinghy team took the gold medal with a race in hand.

Yevhen Braslavets and Ihor Matviyenko came ashore to the Olympic marina refusing congratulations and avoiding all attempts to interview them. In the absence of an interpreter there was no one on hand to dispel their mistaken belief that a protest had robbed them of a medal.

If it has been a great week for the small, landlubbers nations, the past seven days have represented a little local difficulty for the host nation. The US team has for decades been a dominant force in Olympic yachting, returning from foreign shores with a boat-load of medals. In Barcelona, for example, American sailors took nine medals in 10 divisions.

On home waters the results have been grim. The regatta was all but finished when Courtney Becker-Dey sailed a ferociously determined land race to take the bronze medal in the Europe class, and became the first team member to mount the podium.

Becker-Dey was navigator of the world-breaking America3 women's team in the 1995 America's Cup and a hugely experienced competitor. But so were many of her fellow team-mates. This was no team of rookie youngsters, such as the virtual "youth squad" selected

with considerable success - by Britain.

Mark Reynolds, for instance, finished a startling eighth in the Star class, the division where he won the gold medal in Barcelona. The Star is an immensely complex and subtle keelboat requiring years of experience to succeed, but even the new-boys from Samoa beat Reynolds. One theory says that having Savannah on their doorstep, the Americans practised too much on the actual racecourse. Over the course of a year conditions on Wassaw Sound are predictable with a steady sea-breeze on 99 afternoons out of 100. Except last week.

"I would have been much better off if we hadn't sailed here so much," said US board-sailor Mike Gebhardt. "We

For many sailors and spectators Ben Ainslie was the discovery of the Games

kept waiting for certain things to happen because we have been here the past four years almost non-stop. When those conditions didn't occur, we didn't react quickly enough."

For many sailors and spectators the great discovery of these Games was Ben Ainslie. Aged barely 19, the British youngster took a silver medal in the Laser class and showed a composure and ability way beyond his years. His soft-spoken charm was disarming.

"It's very easy to think that Ben is just a kid with not much to say, who hasn't understood what's going on," said one of his fellow team-mates. "In fact, he's one of the most thorough and professional competitors I've ever come across."

In what has been overall a dismal Olympics for Britain in terms of medals won, the sailors have been a inspiration. With the Soling team of Andy Beadsworth, Barry Parkin and Adrian Stead doing well in both the fleet-racing and match-racing sections and Shirley Robertson's desperately unlucky fourth in the single-handed Europe, a well-planned structure has delivered the goods.

The majority of the British team had come up through the Royal Yachting Association's youth squad, coached by Jim Saltounstall who followed through to become Olympic coach.

This continuity is known to have won the approval of Craig Reedie, chairman of the British Olympic Association, who is embarking on a review of what British sportsmen and women need to succeed at Sydney 2000.

Global warming is firmly on the environmental agenda. But no one really knows whether man-made emissions of carbon dioxide are going to make the oceans rise and glaciers melt and transform Kent into Provence. John Gummer, Britain's environment minister, apparently has

MOTORS

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no doubts. Some scientists, while agreeing that a small amount of warming has taken place, doubt the accuracy of the computer models predicting climate changes. Others even think another ice age is, in long term, a far greater potential threat.

But over mind. Reasonable people will surely agree that anything which reduces the amount of poisonous man-made muck (and non-poisonous but unwanted carbon dioxide) put into the atmosphere has to be a good thing.

One does not have to be an eco-freak to approve of US President Bill Clinton's late awakening to the gross over-consumption of oil in the US. Unlimited availability of cheap gasoline has never been an article of faith in Europe as it has in the US. On average, the British pay around three times as much for heavily taxed petrol - which is why we pour so much less of it into our relatively small-engined cars.

Catalytic converters were America's solution to the vehicle exhaust pollution that wreathed Los Angeles in smog.

The preferred European solution was lean-burn engines, which reduced emissions by using less petrol.

But the politicians had the bit between their teeth. Pruning lean-burn development was sidelined and since 1983, all new petrol-engined cars in the European Union have had to have catalytic converters.

Paradoxically, in purifying car exhausts, catalyzers convert some of the poisonous elements into carbon dioxide. The slightly higher petrol consumption of a catalysed car does nothing to help: carbon dioxide

emissions are directly related to the amount of fuel burned.

Which is where the diesel car comes in. The diesel is the ultimate lean-burn engine. By now the truth about its greater environmental friendliness should be familiar. Sadly, it is not. In spite of a continuing Department of Transport purge, plenty of smoky lorries, buses and taxis are still giving all diesels a bad name.

Yet only a few days ago Lucas Diesel Systems became the first London company to win The Queen's Award for environmental achievement.

Its electronic unit injector system (EUI) reduces all diesel exhaust emissions. At present it is used only by big truck engine manufacturers in Europe and the US, where it more than meets the emission standards future legislation will demand.

EUI units are being developed for car engines. They will speed up the switch from indirect to direct injection for diesel car engines. This boosts their fuel economy advantage over petrol cars from up to 30 per cent at present by a further 10-15 per cent.

Volkswagen/Audi is the leading maker of DI diesel cars at present, followed by Rover. Vauxhall/Opel has just introduced an advanced multi-valve 2-litre DI car diesel; Ford will not be far behind and the rest of the industry will gradually fall into line.

Now a few facts to clear the air. On a short trip starting with a cold engine, a petrol car produces 15-20 per cent more active pollutants and can use up to three times as much fuel as a diesel. In France, Germany and Britain, 80 per cent of car journeys are of less than



FOOD AND DRINK

Bali, where barbecues go back to basics

Nicholas Woodsworth samples the pungent, delicate flavours which make a sensual, subtle cuisine

I have spent more evenings than I care to remember slapping mosquitoes and listening to suburban chefs drone on about their high-tech backyard barbecues. I was therefore delighted, not long ago, to watch Balinese villagers in the small hillside hamlet of Tirtaganga roast a suckling pig.

Did they sit on the night arguing about plug-in models versus propane models? Did they vaunt the merits of electronic ignition? Did they debate the qualities of smoke aspirators, chain-driven rotisseries, self-cleaning porous heat conductors? No, they did not. They used bamboo poles and banana tree trunks for moving parts and coconut husks for fuel, they employed barbeque technology that not even Fred Flinstone would have found challenging.

No doubt the Indonesian approach has its disadvantages - someone has to crouch by a hot and smoky fire for six hours turning a spit by hand. The advantage, for outweighing the drawbacks, was the final product.

No one had brushed bottled barbeque flavour on to this pig, sewn into its stomach cavity was a generous mixture of chopped ginger root, fresh turmeric, cloves, nutmeg, lemon grass, onions, chillies, garlic,

and lime leaf. Around and around it went. The result was a spicy, aromatic, smoke-seasoned dish redolent of all these flavours. Was all Indonesian cooking like this, I wondered - ridiculously simple and subtle?

The question came back to me a few nights later. Temporarily forsaking the calm of the countryside for the bright lights of the sophisticated Balinese resort of Nusa Dua, I was sitting at the outdoor restaurant of the Nusa Dua Beach Hotel. Before me, Ketut Mardana and his team of cooks were putting together some elegant-looking meals.

Mardana is a much-travelled chef, having more than once taken the cooking of Indonesia on the road to Europe and mainland Asia - he recalls with shivers a cold four weeks he spent as a guest cook at The Dorchester Hotel, in London. He is still trying to get warm.

His own country, 13,000 islands straddling balmey seas north and south of the equator is, of course, much warmer. Indonesia's tropical

lushness not only gives it a wide range of exotic fruits, vegetables, and seafoods unfamiliar to western palates; it also provides the islands' cooking with their very essence.

Not far to the east of Bali lie the Moluccas, the original "Spice Islands" so rich in the flavours coveted by the west that the colonial navies of Holland, Portugal and England prepared to go to war over them.

I asked Mardana if Indonesians, nonetheless, were not still more proficient in their use. He agreed with me - in Bali the use of spices, some pungent, some delicate, makes for a sensual, subtle, complex cuisine. Balinese-style roast suckling pig just happens to be his own favourite dish, but he took the time to show me his kitchen and tell me of some of Bali's more sophisticated fare.

Lemon, unripe jackfruit cooked with slices of beef in a dairy sauce of grated coconut, chilli and garlic; soy lakh, duck or water buffalo meat minced to a paste with spices

and grilled kebab-style on a skewer; *garang ayam ayam*, a powerfully flavoured chicken stew; *aras bebek*, whole duck cooked with bamboo shoots; *jeruk nyam*, julienne chicken simmered in a mild coconut-milk sauce of black pepper, garlic and ginger - such were some of

In Indonesian cooking the simple forms are as enjoyable as its complex ones

the dishes Mardana described. That evening, however, I settled for tiger prawns in a hot-and-sour sauce - where fried chillies raised the heat of these morsels, and tart tamarind, squeezed limes and the juice of the south-east Asian starfruit lowered it deliciously again.

Served by candlelight in a sea-side garden where dancers performed Indonesian *legong*, it was as elegant a meal as the tropics offer.

Take away the elegance, remove the expensive ingredients from cooking in most parts of the world and what happens? The meal collapses. But as I discovered when I returned to Tirtaganga, the wonderful thing about Indonesian cooking is that its simple forms are just as enjoyable as its complex ones.

Most Balinese remain what they have always been, rural rice farmers, and delicacies such as tiger prawns, beef and duck are too expensive to be eaten outside the feasts prepared for holidays and religious festivals. The basis of daily meals - breakfast, lunch and dinner - is rice, but it is astonishing how the simplest fare and the most meagre surroundings are enlivened by a little imagination.

In Tirtaganga I took to eating my meals at the Warung Rama, a warung being the cheapest and most popular kind of eating establish-

ment to be found in Indonesia. Sometimes they are no more than a table and benches thrown up on the pavement with a portable kitchen sheltered under a shady tree behind. The Rama was a notch above that, a one-room building set by a country road with a tin roof extending out over an earth-floored terrace.

At night, hanging light-bulbs burned over the three dining tables set out there. On the building's outside walls were old pharmaceutical company calendars and soft-drink adverts - on windless evenings pale and fleshy geckos scuttled around them in their hunt for winged insects attracted by the light. Sweet incense wafted from a stone shrine by the roadside, mixing with the faint, lingering smells of exhaust from the day's traffic.

Inside, a sort of Indonesian-style convenience store took up much of the front of the building - one could buy rice, dried shrimps, fermented chicken's eggs, cassava, pap-paws, lumps of brown palm sugar, honey

in bottles, flip-flops, beer and cigarettes. None of this left much room for the food preparation itself, done on the floor at the back of the room by the smiling, sarong-clad cook, Nyoman.

It was all as unlike a luxury hotel restaurant as I could imagine. Yet it seemed to me that the meals I ate there, all of them the simple and inexpensive standbys favoured by ordinary Indonesians, were delicious.

Over the next few days I tried such dishes as *gado-gado*, steamed bean sprouts and vegetables topped with a spicy peanut sauce; *mie goreng*, wheat noodles stir-fried with bits of chicken and greens; *lumpia*, small rolled pancakes filled with shrimp and crispy vegetables and fried. Helped by a bit of subtle spicing, even the most common dish of them all, *nasi goreng*, or fried rice, was good. What turns the ordinary into the extraordinary is that little bit of added flavour - the pinch of fresh chopped ginger, the dollop of chilli sauce, the spoonful of shrimp paste, the shake or two of soy sauce. They are what I think of when I hear my summertime neighbours, in search of backyard dining perfection, discussing the latest piece of high-tech barbeque gimmickry.

Olive oil: the truth and the myths

Giles MacDonogh looks at how slick marketing has boosted sales

Some time in the mid-1970s I got it into my head to make a *ratatouille*. The recipe specified olive oil and I finally tracked down a small bottle in Boots, the chemist, then one of the few places to stock such things. In those days olive oil was sold as a preservative, or for cleaning the wax from your ears, not many people in England imagined that you might want to cook with it.

I have no idea what the source was for Boots at the time. Possibly it was Greece. The first olive oil I was able to use in quantity was definitely Greek. It was dark and syrupy in texture, and turned up in demi-johns courtesy of a member of the household who had become obsessed with the Hellenes. It was used to fry anchovies or eggs, adding its pungent aromas to our everyday foods.

Olive oil was also scarce in my Paris years. Most northern French people retained unpleasant childhood memories of the stuff, which was their equivalent of cod liver oil. In those days it was considered too heavy a flavour for salads and peanut oil was preferred. I still liked it, and surprised people by using it in mayonnaise. I bought it from a shop called A l'Olivier in the rue du Cherche Midi, which also had a branch on the Ile Saint Louis. The provenance escapes me, possibly it was not even stated.

Olive oil was not even that popular in the south. Friends in Provence who possessed a small olive grove took their fruit to a local co-operative to be pressed for the use of the local hospital. They retained a small quantity for their own needs, but no more than a few litres a year. Only in Nyons and Les Baux was it produced on a commercial scale. Many of the trees had been blighted by the great frost of 1856 and were never recultivated. Even before then, Provence cooked more with water or pork fat than it ever did with olive oil.

The oil's current popularity was created by clever marketing in Italy and it is now falsely assumed that olive oil is the principal cooking agent for all those countries bordering the Mediterranean. Olive oil became fashionable outside Italy when aristocratic growers, chiefly in Tuscany, marketed a little olive oil alongside their chianti or brunello di Montalcino. This came in smart bottles with pretty labels and the prestige of the oil seemed almost to increase in proportion to the number of quarterings on the family coat of arms.

After 1985 a large amount of this oil was also rumoured to be Greek, as

Tuscany could not possibly have satisfied world demand for its slightly bitter olive oils with the few trees which had come through the frost unblighted.

Which is not to say that Tuscan oil is bad. It has what French wine writers would call *terroir* from being grown at the climatic limit of production, something which makes it fiery on the palate. Many people honestly prefer the sweeter, more buttery oils from warmer parts of the Mediterranean. In Apulia, for example, there are vast groves of olive trees with huge trunks, said to be several centuries old. A little marketing and these oils might become just as famous as those of Chianti.

Which brings me back to Greece, just a few miles away, across the Strait of Otranto. Greece is the world's third biggest producer of olive oil, and by far the biggest user. Greeks would like to sell more of their oil directly to the olive-starved north of Europe, but for the time being its produce lacks the cachet of those from Italy, Spain, or even France.

The relatively poor market showing of Greek olive oil caused much belly-aching and hand-wringing at a conference organised by the British-Hellenic Chamber of Commerce in Athens in June. Although Greece could field a wide variety of olive oils from its regions, it lacked the marketing credibility of oils from the western Mediterranean. Partly this was the result of the tarnished reputation of its gastronomy, partly the lack of a posh, noble-estate image. Italy gets a better class of tourist, and its oils reap the rewards.

I have no great knowledge of Greek food, having visited the country only once, but it would seem that Greece offered a menu more in keeping with the Anglo-American concept of the Mediterranean diet than most parts of central or northern Italy. Food is green and simple and drenched in olive oil. As Greeks have got richer, meat has played an ever greater role, but you may detach it without spoiling the taste, which must be good news for roving vegetarians.

On the second day of the conference there was a tasting of olive oils from the different regions of Greece held by the lovely old Kaiseriani Monastery above the city. Most of it would have been made from the Koroneiki variety. The other main variety, Kalamata, tends to be reserved for table oils.

Crete and the Peloponnese are generally



Detail from an amphora in the British Museum from *The Essential Olive Oil Companion* by Anne Dolamore (Grub Street, £10.95)

deemed to be the best regions. At the tasting the Spartan oil got my best marks: it was green and grassy, and had a slightly fiery finish like a Tuscan oil. The runners up were a Mountain oil also from the Peloponnese, and another from Chalcidice in Euboea.

The Mountain oil is available here. It was Mani from Laconia, a unrefined, organically produced oil which may be had from Sainsbury (170 shops, £4.19 for 500ml) and good delicatessens. It is a bargain at the price. For me, however, even more gripping than the tasting was a lecture

delivered by Father Nikolaos Kondovounis on the importance of olive oil in the Greek Orthodox rite. Father Kondovounis cut a splendid figure with his bushy beard and raised-pie hat as he blessed the oils for our tasting.

He did not deny that the significance of olive oil for Greek Orthodox Christians had been carried over from the ancient Pagan religion. Olive oil had had a healing function long before it was realised to have culinary uses and this was its chief significance as far as the Church was concerned together with the symbolism

derived from its use in lamps. Olive oil plays a role in the sacraments of Confirmation and Extreme Unction in Greek Orthodoxy; on both occasions the supplicant is anointed with oil.

This too was a legacy of the ancient world when wrestlers daubed their bodies in oil to prevent their opponents from getting a grip on them. In the Orthodox rite the oil was supposed to allow the Christian to slip through the hands of the devil: a use for olive oil which does not even appear to figure in the nostrums of the British pharmacist.

Restaurants The search for user-friendly wine lists

The standard of wine lists in most British restaurants has undoubtedly improved. Generally there is a wider choice, prices are keener, more - but still not enough - and there are fewer of those plush, red books with more wines out of stock than in.

Many restaurants are worth a visit just for their wine lists, for example: RSJ, in Coin Street, London SE1; Chiaroscuro, Townhouse, Coptic Street London WC1; the Penhelig Arms, in Aberdovey, Wales; and the White Horse Inn, Chilgrove, in West Sussex. On a Monday night, when there is no restaurant mark-up on the wines, Harvey Nichols Fifth Floor, in Knightsbridge, London SW1, is a must.

Yet too many wine lists are being written to a formula; to a dash of New Zealand add something from Oregon and California with a few more expensive bottles from Bordeaux and Burgundy to tempt expensive account diners. Nor is enough explanation offered on how the wines taste or which dishes they might best accompany.

Just how do you find a wine that goes with sun-dried tomatoes, blackened snapper and lemon tart? Are British restaurateurs lazy about this or just unimaginative? In the US, desktop publishing is being employed to please customers and maximise sales. The most innovative wine lists were brought together in a recent issue of Restaurant Wine, a California newsletter. Significantly, although Restaurant Wine has subscribers in Singapore, Australia and Austria, there are none in the UK.

The most eye-catching new wine list featured by Restaurant Wine was at Charley G's, a seafood restaurant in Metairie, Louisiana. A waitress had suggested using graphics from her desktop publishing kit to enhance the wine list. The list is now headed by six symbols - a tomato for a wine recommended with fried tomatoes; a cow for one eating steak or chops; a chicken for grilled fowl; a cream bottle for cream-based sauces etc.

These symbols reappear on the list against the wines the management has tasted and judged most suitable for various dishes. Three different pinot noirs are listed but are judged to go best with three different types of food. Aside from introducing an element of fun, this new format has increased wine sales by 40 per cent.

Less visually appealing, but just as effective, is the new wine list at The Stones Caf, primarily a seafood restaurant, in Charleston, South Carolina. The traditional "regional and varietal" format - perhaps the most common in Britain - has been abandoned and wines are listed by their most suitable food pairings. There are white wine recommendations for shellfish and delicate fish such as sole; richer whites for salmon, tuna and pasta dishes;

and red wines from California, Australia and France for any-one choosing salmon (the red wine fish), lamb, duck or pasta.

The increasingly difficult job of selling even a glass of wine to many customers at lunchtime has been overcome by three different approaches. At The Pleasanton Hotel in California, brief wine descriptions written by the proprietor, such as "my wife's favourite pinot" have resulted in wine orders that do not involve lengthy discussions between customer and waiter. At the Caf & Chili Bar, Washington DC, the wine list was reduced to 13 selections, each of which sold for \$15 a bottle or \$4 a glass - no restaurant mark-up on the wines. Harvey Nichols Fifth Floor, in Knightsbridge, London SW1, is a must.

At Laya, a Middle Eastern restaurant in New York, the wine list incorporates questions to provoke customer interest and experimentation. What to drink with mezzé as a first course? Answer, one of its five roses. What did the gods drink on Mount Olympus?



Answer, Dom Perignon 1983. And the list is not ashamed to identify the cheapest and most expensive wines. It also recommends the best wines for romance (Domaine de l'Arlot's 1992 Vosne Romané) and for impressing your boss (Château de Beaucastel 1993).

In Los Angeles, chef Wolfgang Puck decided it was time to revamp the list of his long-established success, Spago. In came master sommelier Michael Bonaccorsi with a large budget for new wines, and, after much discussion, in too came Château d'Yquem, the world's most expensive wine, not to be sold conventionally by the bottle but by the ounce - at \$14 a shot. This proved so popular that the first case of 24 half bottles went in six weeks.

Spending on wine rose by \$2 per head, generating for Spago, which serves 300 customers a night, 380 nights a year, extra sales of \$316,000.

To reap such rewards and to do away with over-talkative wine waiters, British restaurateurs must pursue a more adventurous wine-selling policy. They could do well to let their word processors do the talking - and the selling.

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Waitrose tell me, that "due to demand".

Kentish-grown cooking cherries have been stocked by some of their stores this week. Just right for the recipes I gave last Saturday.

Weather permitting, limited supplies of these sour cherries should still be available this weekend. Sold in 500g punnets at £1.99, they are clearly labelled "cherries for culinary use", to distinguish them from dessert varieties. This is a sensible precaution since they are the glossiest sour cherries I have ever seen and might be mistaken for sweet ones.

The variety is called Kallers. Waitrose describes it as a morello replacement, with the same soft flesh but a

higher sugar level and a smaller stone. It lacks the spicy flavour of some sour cherries but, to my taste at least, it is tartly refreshing to eat raw. I may try dipping Kallers in chocolate to serve to sweater-toothed friends as *petits fours*.

Another distinctive feature of these cherries is that they do not come in pairs or clusters, but singly with short-cut stalks as a result of being snipped individually from the tree.

And apologies for the blip in typing last week's recipe for Morello Jam with

Almonds, which inadvertently listed far too much sugar. The correct ratio of ingredients is 750g (0.75kg) of sugar for every kilo of sour cherries.

A rolling ball of one minute was enough for me using morellos grown by friends, but fruit can vary greatly. If your syrup looks dangerously thin at this stage, add the liquid pectin and boil for a few minutes more, checking for a set using a thermometer or saucer test.

Glad tidings from Suffolk reveal a source of fresh morellos in that county this

weekend and during the early part of next week - weather and supplies permitting, of course.

The farm shop at Hill Farm, Enderby, near Sudbury (tel: 01787 510848) is open from 9am to 5.30pm Mon-Fri (closed on Sat and Sun). The adjoining pick-your-own orchards are open from 10am to 6pm seven days a week.

Philippa Davenport

Did you know that Dundee cake was originally made by Kellers as a by-product of its marmalade business when surplus orange peel was put

into a cake topped with whole blanched almonds?

There are many pretenders but the authentic cake recipe is still made by one specialist baker - whose name and address are to be found in the second of *The Food Trails of Scotland* series, Catherine Brown's guide to Tayside.

Brown is a renowned regional food writer. Her knowledge about the foods and cooking of her homeland are probably second to none. Her pocket-size guide is brief but pertinent, not definitive, but an independent and personal selection of the best

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TRAVEL

We were sitting on a sandy beach on a warm, sunny October day.

Behind us a tree-lined promenade was flanked by a few small white-washed hotels, restaurants and apartments, none more than two or three storeys high.

Could this be the Costa Brava? Its small scale seemed far removed from the high-rise tourist hoopypots the ome conjures up.

It was Central Costa Brava to be exact, on the Catalonian coast, known locally as Empordà, where the forested Pyrenees sweep down to a rocky coastline and a piercingly blue sea.

The village was Llafranc, and we were on a six-day walk that was to take us to medieval hill-top towns, through pine forests and olive groves, and along wooded coastal paths.

We were staying at family-run hotels to which our luggage was transported for us. We started out from a spectacularly converted 18th century farmhouse, the five-star Mas Torrent, 1 1/2 hours drive from Barcelona (or an hour from the French border).

The farm belonged to my brother, Signora Figueras told me. "One morning he was looking at the wonderful view we're looking at now, and felt he wanted everyone to be as happy as he was at that moment. So he converted the building into a hotel and arranged very romantic bedrooms."

It was a wonderful view: a wide plain speckled with dark, slender cypress trees, that spread across to the sea and the rocky Medes Islands beyond.

Wrenching ourselves from the beauty of hotel and view, we walked along quiet roads where butterflies fluttered and mauve scabious and yellow fennel grew on the verge. There were copes of evergreen oaks whose trunks are used for making cork (this is the highest cork production area in Spain), and wild narcissus and tiny orchids growing in fields which in summer are full of poppies.



Costa Brava - but not as we know it: Tamarit is a small, select resort favoured by the prosperous from Barcelona



Great walking country in the Odesa National Park

Striding out in Catalan country

Away from the Costa Brava's high-rise hot-spots is a walkers' paradise, says Angela Wigglesworth

Peratallada was preparing for a market the next day. Coloured flags were looped across the narrow medieval streets and stone archways, and bananas and strings of garlic hung from garage rafters and balcony railings.

At a café in the Plaça de les Bruixes (place of the witches), we tried our hand at drinking wine from a porrón, a carafe with a spout. You put your head back, open your mouth and pour the wine in - not as easy as it sounds. Here we also had our introduction to the delicious pa amb tomà - large slices of bread soaked in olive oil and rubbed with tomatoes.

A few miles away in Pals, a walled hill-top town once little more than a heap of ruins but brought back to life by a Pals-born Barcelona surgeon. In 1948, despite the town's derelict state, he built his own house here and encouraged others to restore the crumbling buildings around the church, castle and clock tower.

Today, most cars are banned from the centre and visitors come to see the golden sandstone buildings, browse in the small shops and admire the view from the ramparts across the flat swampy rice fields below.

Catalunya has a reputation for its gastronomy and at Alfred's on the outskirts of Pals, one superb dish followed the next: esquetxada - raw salt cod and tiny tomatoes; escalibada - baked aubergines, peppers, onions, snails and garlic; a black rice paella with mushrooms, squid, octopus, prawns, sausage, lamb, chicken.

Duck moussé on toast was fitted in somewhere; and raw ham and dark red broad beans. The meal ended with oranges in a honey and cinnamon sauce - walking was not quite so easy that afternoon. It was in Ajacubaya, our next night's stop, that in 1908 a

journalist, after what must have been an equally good lunch, is said to have given the Costa Brava its name - beautiful coast.

And it is beautiful here: dark purple bougainvilleas cling to the whitewashed houses that rise sharply from the water's edge, the rocks are a soft pinky brown, and the small coves, in October at least, are almost deserted. On a pre-breakfast stroll the only sound was the murmur of two fishermen chatting in an already hot sun at the water's edge, and a barking dog. We had been warned about dogs. "You frequently pass iso-

lated farms and homes protected by the ubiquitous noisy hound," it said in our information pack, adding that carrying a stick was highly advisable because "when raised, it has the effect of sending the creatures quickly back to base". I tried it as we approached a farm in a field of cropped millet and browning sunflowers. The dog did not look too alarmed, but it did amble away.

One night we went to a Havannas concert in Palafrugell where men in sailors' gear, accompanied by accordions and guitars, sang songs once sung on 19th century ships

when Spain traded with Cuba. The first Cantada ("Singing of Havannas") was held in Palafrugell in 1967, which made it the unofficial capital for this kind of music. "The Spanish don't play so many musical instruments," a local man told me, "but they do love singing." In fact the concert organiser, a Catalunan with a drooping moustache and wonderful voice, had given up a drooping moustache and wonderful voice, had given up a drooping moustache and wonderful voice, had given up a drooping moustache and wonderful voice.

Alongside the audience, a white-suited man stood behind a long table brewing up cremat in eight round shallow, terra-

cotta bowls. This is a drink of flambéed rum, brandy, lemon rind, cinnamon and coffee liqueur. The man stirred the flaming liquid, lifted it high in the air on a spoon, and then let it flow back into the bowls in a stream of blue and gold flames until these gradually died down and the drink was ready.

La Bisbal is a town where everyone seems to be involved in producing pottery. At the museum you can see how it was made down the ages. In the streets, you can see the work of today's potters - plates, cups, mugs and dishes glazed in the traditional red, green and cream colours of the region - spilling out on to the pavements from almost every shop.

In the small select nearby resort of Timariu, favoured for weekend retreats by the prosperous from Barcelona, we learnt the difference between breakfast and breakfast with knife and fork (as *havanca de Forquins i panes!* in Catalan). The latter included anchovies, slices of ham, cheese and tomato bread.

From Timariu's sandy beach, we climbed a steep rocky path that led into a forest, the sun glittering on an unbelievably blue sea far below, its blueness broken only by the dot of a red canoe.

When the forest gave way to open country, we walked alongside a ploughed field where pink lilies had seeded themselves, and found what looked like wild strawberries, tasted of apples, but turned out to be wild cherries.

The walk is well marked - you follow a red dot underlined in white - and Inottravel, which organises it, gives ample instructions. The hotels are family-run with superb food and pretty rooms. At the Hotel Llafranc, Llafranc, mine was decorated in cool white and had a small balcony where I could sit and look through a gnarled spreading pine tree, straight out to sea.

Just right at the end of a good day's walk.

Information: Angela Wigglesworth travelled with Inottravel, Hovingham, York YO6 4JZ on one of its In-Active walking holidays. Prices for seven nights (six days walking) range from £46 to £318 for self-drive, from £635 to £898 travelling by air, depending on the season. There are savings of £25 per person for four or more in a car. For more information on a brochure, telephone: 01653 628822.

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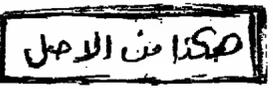
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TRAVEL

Paying homage to the temples of the gods

Amateur antiquarian, Adam Hopkins, is drawn to Sicily and its surviving architectural treasure trove

When Daedalus fled from Crete, after that tricky business between Theseus, Ariadne and the Minotaur, he made his way to southern Sicily to take refuge there with King Kokkalos. It was what happened next which drew me to Sicily this past spring, after many years of wanderings in Crete. For the story tells us that King Minos set out in person in pursuit of Daedalus. He took along a Triton shell, and through its multitudinous spirals he invited all-comers to pass a thread. This was a ruse to discover where Daedalus was hiding since only he would be clever enough to thread the shell.

Which he did, of course. But Minos never gained revenge, for, according to authority, he was "undone in his bath by the daughters of Kokkalos". Leaving only a tomb, although a substantial one, in Sicily, he departed to be ruler of the underworld. You do not expect to see much evidence for such events - no bath, no tomb, no Triton

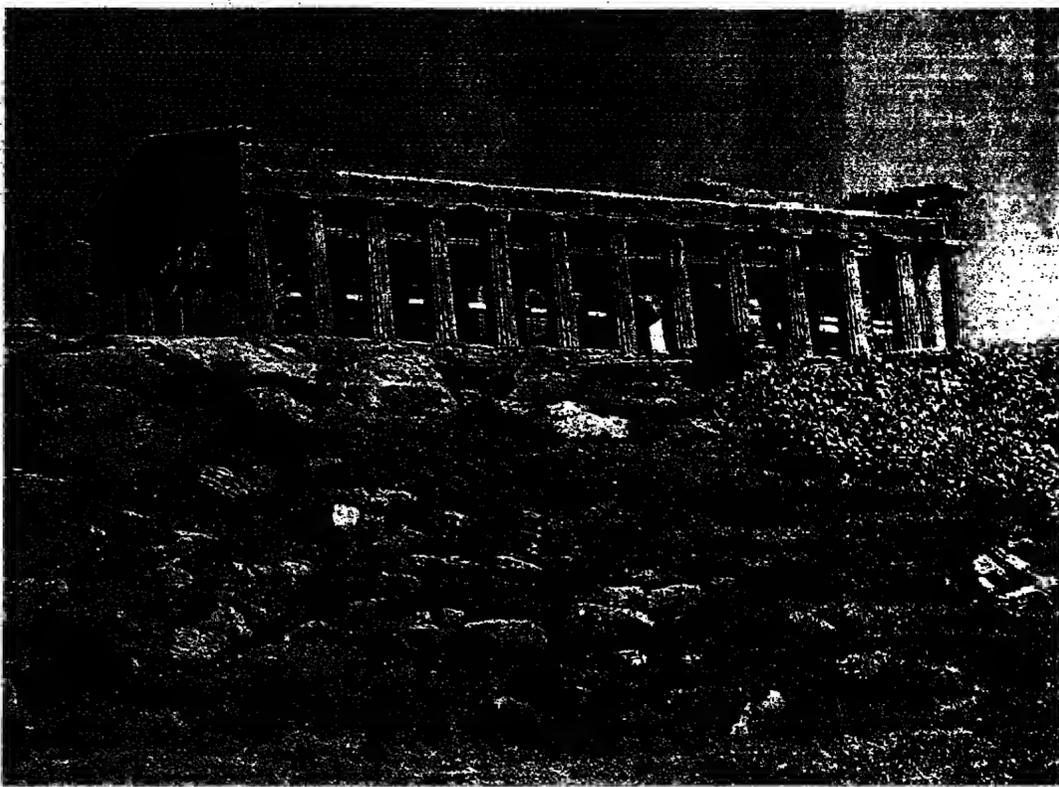
shell - but for me at least, as a student of the Minos, Sicily has always been next stop, even if my arrival has been a tardy one. For here, when the ancient Greeks arrived to form their earliest colonies, founding in effect a new world in which, one day, Aeschylus, Plato and Empedocles were all to shine, they brought with them much of the Minoan-derived attitude to nature, including the notion of a divinity in every tree and rock and stream.

It is the sacred nature of the Sicilian landscape, richer in surviving temples than Greece, which hits the amateur antiquarian between the eyes. For, as is the case with the palaces of Minoan Crete, so the Sicilian temples and their sites appear to endorse an extraordinary rapport between the new arrivals and the landscape they had come to.

Take Segesta, for example, the first Greek temple that I reached as I set out on a near-circuit of the island, starting south-west from Palermo and heading, eventually, for Catania on the east coast.

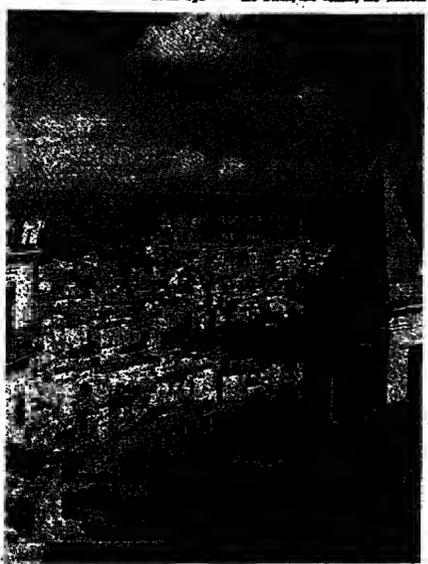
There stood the temple of Segesta in purest, if considerably heaving countryside - 5th century BC, of Doric simplicity, rootless but still retaining its 14 mighty columns lengthwise and six across, on a tuck of land under a mountain slope, with a deep gorge running almost three quarters of the way around it.

As you climb up above the ancient settlement - pre-Greek in location and with the great temple purposefully distanced from it - you begin to see more clearly how the temple site functions and how neatly it was chosen to achieve its subtle mix of harmony and drama. Children from local schools were straggling up the hill as



A sight the eye will see and not forget: Agrigento

Photographer: Adam Hopkins



Sicily, richer in surviving temples than Greece

well, bearing guitars and picnic lunches. Spring flowers blossomed around the temple base and all the way up the hill, which led in turn, as anyone who has read about Segesta will surely know already, just over the summit and down to a smallish Greek theatre tucked into the upper slopes. From there you look clear across the wine-growing countryside of Castellamare, clear to the azure gulf that uses the same name.

Both theatre and temple stand revealed as part of a dazzling collaboration with what was once called Nature. Time, hot on my heels, now forced me to by-pass Selinunte in the deep south-west, and I arrived in Agrigento. There I

caught a first view of the disposition of many temples - one dedicated to Zeus (Jupiter), the largest Greek temple ever built.

Imagine, if you will, a kind of double-stacked landscape. Sea and sea-coast lie at the bottom. Two or three kilometres back from the coast, an escarpment rises, topped by a rocky ridge. Next the land falls away to form a shallow valley, but with a second hill, far higher than the intermediate ridge, rising steeply behind it. Looking from the town, which is on the highest hilltop, all the way down to the sea, the rocky ridge stands in the middle ground. Looking up from the sea, the ridge makes an interim horizon. And it was on

the ridge, of course, that the Greeks sited their temples.

It is a sight the eye will see and not forget. In silhouette on the same ridge is the temple of Juno (the most romantic, on its easterly crag), the temple of Concord (astonishingly well-preserved), the temple of Hercules and the vast and ruinous temple of Jupiter. Strangely, guide books tend to use the Latin names. There are also all sorts of lesser temples, tombs and bits and pieces. The landscape and the divine are inseparably intertwined, the power of the city also well advertised.

Time will tell whether the eye forgets the more urban temples, which are mainly in Syracuse, that stunning city of the eastern coast. The ancient

Greeks settled and built first on the island of Ortygia, which hangs like a lobe from the ear of land above. Modern Syracuse hosts a multitude of archaeological sites, a huge theatre which used to enjoy sea views, and a first-rate archaeological museum.

Meanwhile, on Ortygia, the most civilised of urban settings in Sicily and the place where I would make my home if fortune turned me into a Sicilian, the temple of Apollo, unearthed in the 1940s, stands broken and romantic in a pit with the "modern" houses of the old town leaning over it.

Even better is the cathedral in the main square. There, behind an elegant baroque facade, is almost the whole

interior of the Greek temple of Athena. Great Doric columns, bulging like Popeye's muscles, threaten to burst right through the cathedral's outer walls. If the Minoans made their contribution to the Greek achievement in Sicily, then the Greeks have certainly traded onwards to the Christians.

But as for Taormina and its great Greek theatre, with those famous views of Etna, I can tell you nothing at all. Cloud closed in, tight as a fist, and it was time to leave for home. Adam Hopkins travelled with Citalia, tel: 0181-686 5532. A scheduled flight to Sicily, plus car hire with three nights in Agrigento and four of the Grand Hotel in Syracuse, costs £595 per person.

Skiiing Colorado resorts join forces

Arnie Wilson on a union that should benefit skiers in Colorado

Skiers choosing a holiday on Colorado's slopes this winter will find themselves buying a lift ticket from a single company now that Vail has, in effect, purchased Breckenridge and Keystone, its main rivals, in a merger costing an estimated \$310m (£200m).

The move should give skiers access to six different resorts within a 40-mile radius, with an interchangeable lift ticket. The lift systems in Breckenridge and Keystone are also expected to be upgraded, although these benefits are unlikely to be available until the winter of 1997-1998.

The combined ski areas had 5m skiing days between them last winter, more than twice the amount for the entire rival ski state of Utah. The move

tion to developing an extensive new village at Keystone. But in the last week rumours increased that Vail, shortly due to go public, was the most likely buyer.

The move appears to leave Colorado's other principal destination resorts of Aspen, Copper Mountain and Steamboat out in the cold. Relations between Vail and one-time rival resort Aspen may be particularly affected. In recent years the two had come to an amicable arrangement in marketing themselves, at least internationally, as twin centres, with reciprocal lift-ticket arrangements.

Whether this relationship continues remains to be seen.

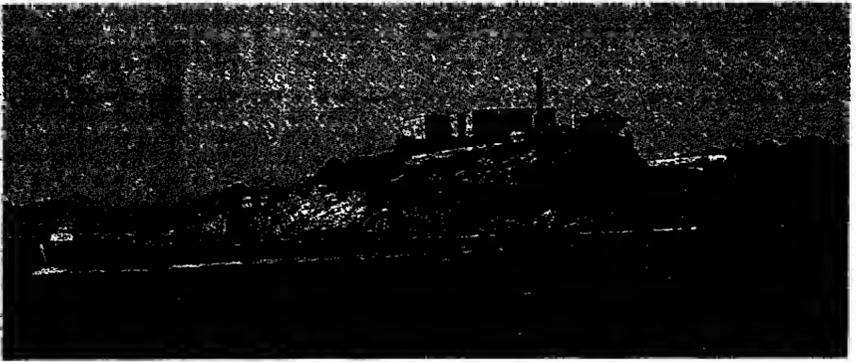
Copper Mountain, situated between Vail and its old partner, Breckenridge, on Interstate 70 (the skiers' highway from Denver), may now be bypassed - skiers based in Vail, Breckenridge or Keystone visiting the other two may pass by Copper's slopes in the process.

Bernie Weichsel, president of Ski USA, which markets 50 American ski areas internationally, says: "I'm excited. I believe strongly that a rising tide helps all ships."

This marriage will give Colorado and the whole country increased muscle to market US ski areas more aggressively against those in the Alps. "The new alliance will want to make it even easier for European skiers to come here."

"I wouldn't be surprised to see a free shuttle service going over Vail pass between the areas. And I wouldn't be surprised to see the return of non-stop flights from Britain to Denver."

John Norton, senior vice president of the Aspen Ski Company says: "The only way this will have any effect on Aspen is if we want it to. It doesn't mean a thing to our Aspen guests. We're still the place without the crowds and the place with real, un-fabricated character."



Top: Alcatraz. As the song goes: "And a rock feels no pain, and an island never dies..." It is now a place of haunting beauty.



Right: inmates and prison corrections officers lecture on an audio-cassette tour of the former penal institution.

Photographer: Christopher McCooley

Alcatraz: lots of rooms with a view

Christopher McCooley follows in the footsteps of some of America's most notorious criminals

The inmates could look out through the iron bars of their own cage, and through one of the finest views in all the free world.

The likes of "Scarface" Capone and "Machine Gun" Kelly could watch as the fingers of fog began to feel their way under the great red bridge through the Golden Gate from the west Pacific into the Bay.

On one, the foghorn would moan morosely. Then as the fog wrapped the island chillingly, the city so tantalisingly close, with its bright lights and teasing pleasures, would be shut off as if a curtain had been drawn.

Then the inmates would know that they really were caged - banged up, imprisoned, penned - in the US penitentiary, Alcatraz. Today part of the Golden Gate Park, the 22-acre island attracts nearly 1m visitors a year. It is one of

the most haunting, moody, brooding, beautiful places I have visited.

The approach is made by boat. As the ferry edged against the dock, my nose began to tell me something. The jelled and the sailors may have gone but in their place have come hundreds of birds. Guano pervades the air and streaks the rocks.

The gulls on Alcatraz represent a re-established colony that had been devastated by egg collecting nearly 14 centuries ago during the Californian Gold Rush. About 600 western gulls - they have yellow bills with a red spot near the tip and pink legs - nest on the ledges of the crumbling prison hillside and the rock cliffs.

Black-crowned night herons also breed here as do Brandt's cormorants and seven other species. You cannot wander where you like because a number of the buildings are in dangerous

disrepair - the breeding birds seem to know this and happily nest next to the pathways. I was delighted to see Brown Pelicans - some quartering for fish, others perched on rocks. These birds convince me that God has a sense of humour. "A wonderful bird is the pelican, as his bill can hold more than his belly can."

On land they provoke condescending smiles, waddling like clowns with flippers. But once in the air...I watched a squadron of them flying in single file with co-ordinated beats of their wings, their heads tucked back, long bills resting on their necks.

Over fish, they glide and circle without flapping. The plunge produces a spectacular plume of water. On surfacing there is much thrashing. The pouch of their beaks contains up to two gallons of water - this is spewed out sideways and the fish is swallowed in rude gulps.

Then they must get airborne again. The huge wings rise and fall laboriously, the big feet trudge and paddle the water furiously. You think "Fet chance." Suddenly, they are airborne and gracefulness returns.

But Alcatraz is more than a Californian bird sanctuary. After the gold was discovered in 1848, hundreds of thousands of hopefuls headed west, many by ship. The huge San Francisco bay was a natural and safe harbour. But the fogs and currents made the approach difficult.

Alcatraz was a natural site in the middle of the entrance-way for both a fort and a lighthouse. The first light shone out over the bay on June 1 1854. Michael Cassin was the first keeper and earned \$750 a year. His job was to light the lamp each evening, clean the lens, polish the brass. All the lamps with whale oil.

Lighthouse keepers lived on

the island with their families until it went automatic in November 1964. Other families who lived there were those of the officers stationed in the military garrison and who, later, guarded the inmates when it became a military prison.

In July 1854 it was made a federal penitentiary at the behest of J Edgar Hoover, the chief of the Federal Bureau of Investigation. Unlike most of the inmates, the prison officers and their families considered Alcatraz a good place to be. Living in apartments in the converted military barracks they overlooked the dock, they enjoyed the spectacular bay scenery and settled into a routine of school and shopping (by boat) in San Francisco and social clubs and special events in the evenings and at weekends on the island.

Many felt safer living on Alcatraz than in San Francisco. They did not have to

worry about traffic, burglaries or violent crime. The high costs of shipping everything to the island, including water - a 300ft well had been drilled but the water was salty - combined with the expense of guarding and feeding the prisoners made its upkeep the most expensive in the nation.

Attorney General Robert Kennedy closed Alcatraz on March 21 1963, in effect giving it back to the birds. Information: Alcatraz is open every day except Christmas and New Year and ferries leave from Pier 41 at Fisherman's Wharf. Allow three hours for the round trip. Advance ticket purchases are essential in the busy summer season. Call (415) 646-7806 for ferry service information and reservations by credit cards. The cost for adults is \$9 and children under 11 \$4.50. An audio-cassette tour is narrated by former inmates and officers.



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BOOKS

Did she have a precursor? She did, indeed she did. In point of fact, there might have been no *Lolita* if it had not been loved, one summer, a certain initial girl-child, in a princedom by the sea. Oh when? About as many years before *Lolita* was born as my age was that summer.

When Nabokov sprang to fame in 1928 with *Lolita*, he appeared to English eyes an instant genius, a fully fledged artist who came with almost no past, no effortful young ventures into print, no struggles to find his own voice. But, in fact, for 30 years before *Lolita*, in exile in Berlin and Paris, then "absolutely penniless" in the US, Nabokov earned his living by writing short stories for Russian émigré journals.

If the best novels of the 1950s and 1960s - *Lolita*, *Invitation to a Beheading*, *Invitation to a Wedding* - have precursors, they are here in this magnificent collected edition, which includes the first English versions of 13 early stories and a chronological arrangement of the whole oeuvre, all translated by Nabokov or his son Dmitri, from 1921 to 1956, when the author took up residence at the Montreux Palace Hotel and devoted himself to novels.

The publication of this book is an important literary event. To discover new work, however minor, by the Russian wizard is like finding a new layer of favourite chocolates in the box you thought you had licked clean. It is a near-sensual thrill because Nabokov is our prose-poet of rapture and intoxication. No modern writer approaches the intensity and exhilaration and delicacy of his fiction: nor has any English writer captured with his cruel accuracy, yet compassion, the psychology of the obsessive - his joy and torture, the hallucinatory quality of his inner world, the way an ironic self-awareness cannot save him from destruction.

The pieces here range from just-beyond-juvenilia to experiments with the fairy-tale form, dazzling but not deep, to later stories such as *Spring in Fialta* (1938) which rank among the best of Nabokov's work. What is startling is that even the early pages are indelibly stamped with Nabokov's fixations - loss and nostalgia; the power of memory; games and destiny and death; contempt for cruelty; excitement at life's extravagance.

So although this volume helps us see the evolution of Nabokov the craftsman and stylist, one senses that his world view was in essence formed and mature by the time he published his first story in 1921. In *Benevolence* (1924), translated here for the first time, an artist waits for his



No modern writer approaches the intensity, exhilaration and delicacy of Vladimir Nabokov's fiction



Marc Ribault/Magnum

Delights of Nabokov

Jackie Wullschlager discovers a collection of 'new work' by the prose-poet of rapture

girlfriend on a blank, windy evening at the Brandenburg Gate. Of course she does not come, but glimpsing a poor old woman on a roadside kiosk, he sees "in the beam of a comically lifted skirt, in the metallic yet tender drone of the wind, in the autumn clouds bloated with rain", that life is not just a struggle but "shimmering bliss, beneficent trepidation, a gift bestowed on us and unappreciated".

In *A Nursery Tale* (1926), the devil, disguised as a middle-aged madame, offers a shy fan the chance to select his harem. He must turn up at midnight at Hoffmann Street - the influence of the 19th century European fairy tale on Nabokov is one of the illuminations of this volume - having eyed up an odd number of

girls. He hatches it because number 13 turns out to be the same girl as number 1, so he has unwittingly made his total even, and thus invalid.

The foreigner's enchantment/confusion that made the

THE STORIES OF VLADIMIR NABOKOV
by Vladimir Nabokov
Weidenfeld & Nicolson £25, 662 pages

America of *Lolita* so evocative also marks the dizzy portraits of Berlin, for such tales are classic émigré literature. In *A Russian Beauty* (1934), a lovely girl ages into a drooping exile, makes a disappointing marriage, perishes in six words, "next summer she died in childbirth". This is the forerun-

ner of the many characters who die in throwaway parentheses in the novels.

In *The Razor* (1926), also new here, a Russian barber in Berlin recognises in a customer his former Bolshevik torturer and threatens to slit his neck.

That in *Allepo Once* (1943), one of the first works Nabokov wrote in English, is the story of a wartime émigré going mad as he puzzles out whether his wife was unfaithful, whether he left her behind in Marseilles, whether she ever existed.

"Rely upon memory, that long-drawn sunset shadow of one's personal truth," says the narrator of *Spring in Fialta*.

Since 1919, when his aristocratic family left Russia on a freighter loaded with rotting vegetables, Nabokov's imagin-

ation locked into the lost paradise of his childhood, and this volume shows that from the start his fiction was about keeping faith with the "grassy wonderland" of memory.

An exile meeting an elusive former mistress in a seaside resort in *Spring in Fialta* comes 15 years of past encounters, fleeting loves, into a few minutes before she dies in a motor crash. From the name of the town - a cross between the Adriatic's Fiume and the Black Sea's Yalta - to the heartless drivers, "salmanders of fate" who escape injury when Nina is killed, everything is heightened, the senses wide open.

"I am fond of Fialta; I am fond of it because I feel in the hollow of those violaceous syllables the sweet dark damp-

ness of the most rumpled of small flowers, and because the altolik name of a lovely Crimean town is echoed by its viola; and also because there is something in the very solemnity of its humid Lent that especially annoys one's soul."

Never, wrote his biographer Brian Boyd, "has Nabokov conveyed better the richness mortally bestowed on time's incidentals, never has he imparted a more vividly haunting personal force to time's designs. No wonder *Spring in Fialta* always remained one of his favourite stories." How wonderful to have such pieces now in context, complete with scholarly notes.

And I can think of no new book this year that I would rather have on the beach

supported by some strong character parts, including one more egoist, Clara's self-indulgent, scholarly father, and the brilliantly realised pre-adolescent boy, Crossjay, who runs - literally - between the four principals.

Crossjay is sort of non-mischievous Puck, whose natural, innocent antics contrast with the social conventions of the adult world. In a novel drenched in irony, the final irony (one formally satisfying, too) is that its denouement is precipitated, accidentally, by Crossjay.

But the key role is Clara's. *The Egoist* was first published in 1879, in the same year as there appeared another male plea for a woman's independence, one positively destined for the stage, Ibsen's *A Doll's House*. Had Clara become Lady Patterner, we may be sure that she would one day have broken out of the marriage with resounding scandal and lasting emotional damage.

George Meredith's novel may be subtitled a comedy, but its message is a deadly serious one.

and fellow workers starving, dying of disease or being taken away to be killed, but he does not tell us whether the dams did any good for agriculture (other evidence suggests they did not).

It is tempting for academics, but probably futile, to formulate a detailed political ideology to explain the actions of the Khmer Rouge. As Kiernan shows, the organisation's leaders ended up promoting their own wives, brothers and children to positions of power in the crudest form of nepotism.

Nowadays they live on the Thai border, fighting the Cambodian government and selling logs and gems to capitalists. Few of the statements they made while in power made any sense, even to the extremist Chinese Maoists who supported the regime. Elizabeth Becker, a journalist who is one of the few westerners to have met Pol Pot, endured an hour-long lecture from him in which he said "things that sounded mad". The deeds of the Khmer Rouge were in deadly earnest, but their thoughts were not profound.

Victor Mallet

Everyone wants to be a hero

A story is told of the last words of Richard Titmuss. The celebrated social scientist was fighting for breath, connected to wires and tubes in a National Health Service hospital, receiving complicated treatment at public expense. He surveyed the scene. "This is a huge waste of resources," he is supposed to have said with some difficulty. "Give me a cigarette." Altruistic, or what?

The yarn is too good not to be true. Apocryphal it may be, but it reflects the subject's life-work, his conviction that the human spirit is a source of good. Titmuss left us *The Gift Relationship*, an account of the blood donor systems of Britain and the US. In the US blood is paid for; in the UK it is given freely. You get better blood for less money on the eastern side of the Atlantic. The existence of altruism, and its utility, was conclusively demonstrated.

Or was it? *The Gift Relationship* was followed by a revisiting of cost-benefit analysis as a tool for explaining rational behaviour. Market economists have long sought to explain why someone will jump in a river to save a drowning child. Is this the maximisation of self-interest?

It could be. The rescuer may seek the esteem of others, or hope for a reward. He or she may be repaid in "psychic goods", by which economic theory means the alleviation of discomfort at seeing the potential victim in distress. You give money to beggars to make yourself feel better. Or you may hope for a reciprocal favour - if you save someone now, another hero will assist you should the need be yours.

Kristen Renwick Monroe does not deny the partial truth in such hypotheses, but that is as far as she goes. She acknowledges that individual self-interest explains limited charitable donations by successful entrepreneurs - giving to the local sports club - and perhaps even the more broadly based sums dispensed by certain philanthropists.

Her first steps there. Heroes and heroines do not pause to calculate the possible benefit to themselves. As to people who risked their own lives saving Jews from the Nazis, conventional economic theory has nothing to say.

Not in this book, anyhow. The author interviewed five entrepreneurs, five philanthropists, five heroes identified as such by the Carnegie Fund Commission and five rescuers of Jews during the 1939-45 war.

She has unearthed some dramatic anecdotes. One concerns Lucille, a grandmother with a heart condition and braces on her leg and back. This heroine stumbled down two flights of stairs to frighten off a 6ft 2in rapist she had seen attacking a young girl. Lucille's life story is punctuated by equivalent manifestations of her concern for her fellow human beings.

Such altruism may be documented, but the motivation behind it is not testable in a laboratory. The author's conclusions are dependent on her subjects' replies. If any rescuer of Jews from the Nazis had a pecuniary motive, as some certainly did, none is acknowledged here. On the contrary, her respondents absolutely denied any such transaction.

In a cynical world this might be regarded with some scepticism. The Monroe approach seems to be to take answers at their face value. The motivations of the newly rich donors to local good causes are trans-

THE HEART OF ALTRUISM
by Kristen Renwick Monroe

Princeton University Press £22.95, 292 pages

parent. The bravery of the individual who risks the lives of self and family for a stranger presents a mystery. At this extreme end of the author's scale there does seem to be something economic analysis cannot explain.

Evolutionary biology will not quite do either. Monroe analyses away most Darwinian arguments. She questions theories based solely or excessively on self-interest. In her view altruists behave as they do because of the way they regard themselves and the world. They typically account for their courageous actions by saying something like "it was another person in trouble - I had no choice". Lucille says, "I believe that I'm dedicated to humanity in my heart".

This is what the author calls the "altruistic perspective". Religion, philosophy and possibly psychology are more likely to explain such an abstract phenomenon than physical or social science. Her methodology cannot compute, but that is no reason to deride her thesis. In this century of horrors we may be sure that evil exists. Why not good?

Joe Rogaly

Challenging stereotypes

Few organisations have loomed so prominently over the history of the world religion as the Society of Jesus, most commonly known as the Jesuits.

"Give me a child at seven and he is mine for life," is the old dictum of this order of educationalists, missionaries, intellectuals and politicians, that since its foundation in 1534 by Ignatius of Loyola has grown into a worldwide organisation of 25,000 members and countless sympathisers.

Former "children" include Fidel Castro, Bill Clinton, Voltaire, Arthur Conan Doyle and Alfred Hitchcock. The late film-maker claimed that the Jesuits, with their tantalising mix of internal discipline and militancy, taught him the meaning of fear.

Since its foundation, the Jesuit order has made as many enemies as friends. Although it is vows of poverty, chastity and obedience (including subservience to the Pope) that are supposed to mould the order, the Jesuits have in practice followed the Ignatian principle of being "all things to all men", leaving it up to conscience or Jesuitical "discernment" to decide the rights or wrongs of individual actions.

A former foreign editor of *Le Monde* and author of an impressive biography of de Gaulle, Jean Lacouture is interested in the Jesuits primarily as an intellectual and political movement that has straddled the world at key moments in history.

It is unfortunate that the English translation does not include even a reference to one of the great English poets of the 20th century, Gerald Manley Hopkins, but there is much material here of interest to Roman Catholic and non-Roman Catholic alike.

Lacouture challenges the "Black Legend" stereotype of

the Jesuits as a bunch of regimented fanatics and machiavellian meddlers. Instead he gives a well-researched account of a complex order that from its foundation has drawn strength and vulnerability from an inherent aspiration to identify and reach out to universal man. As the author puts it, "paradox has been seen time and again at the very heart of the Jesuit enterprise".

Jesuits continue to teach the sons of the rich, as they always have. They have also taught

JESUITS: A MULTIBIOGRAPHY
by Jean Lacouture,
translated by Jeremy Leggatt

Harvill £25, 550 pages

the sons of the poor, burnt draft cards and embraced liberation theology, and some have been martyred by death squads.

Pope John Paul II is uncertain of their loyalties, troubled by the Jesuits' refusal to be constrained by dogmatism. Lacouture's sympathies clearly lie less with the Vatican than with the "most Jesuit Jesuit in centuries", the late French priest, traveller and man of science, Teilhard de Chardin. It was Chardin who dared venture further than many former heretics by declaring the possibility of a "God in evolution".

Jimmy Burns

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To judge from the common testimony, I must be one of the few people not put off English literature by having to study it at school. In addition to the staple fare of Chaucer, Shakespeare and other poets, our diet included much 19th-century fiction, and for that in particular I have always been profoundly grateful.

Among the novelists we got our teeth into was George Meredith. Today, he is sadly but significantly underrated, virtually excluded from popular consciousness and far less a focus of academic interest than, for instance, Hardy. It is true that in recent years some of his finest novels have crept into paperback, published by both Penguin and the Oxford University Press. But Meredith will probably never regain the prominent place he once held, honoured and esteemed, if not ever very widely read.

All good novelists make demands on their readers, but Meredith makes exceptional ones, with his elaborate, allusive style, his flashing, elliptical dialogue and his general air

of constantly delighting in his own wit and cleverness, as well as in that of his characters. He expects his readers to be at their brightest when reading him. Flattering as the assumption is, it can also prove irritating and even exhausting.

There are notable rewards for persisting with Meredith. As a Victorian novelist, he is unusual, if not unique, in conceiving of a novel as having formal shape. And then he combines stylish, elegant use of language with a sharply unsentimental view of human nature. He prefers to create people who are unsmilingly intelligent and articulate.

Not only was he almost dauntingly prolific but his

oeuvre is excitingly varied. *The Ordeal of Richard Feverel* is invested with a poignant lyricism. There is a proto-Shavian tone to *Beauchamp's Career*. Meredith's most famous, perhaps most complex novel remains *The Egoist*, and it is the one to which I instinctively return.

Central to its attraction is its enchanting, high-spirited heroine Clara Middleton, a motherless girl struggling for most of the book to free herself from a too-hasty engagement. Out of so simple-sounding a plot, Meredith spins an intricate, glittering, beautifully designed web, involving two women and two men, including Clara's fiancé, the egoist of the title, Sir Willoughby Patterner.

Although in rereading you know that Clara's struggles will eventually succeed, there is no lack of tautness in retracing their twists and turns. On the contrary. Fresh pleasure comes from further acquaintance with her and them, just as happens with Emma Woodhouse and Anna Karenina.

In fact, *The Egoist* requires several rereadings for its full subtlety to become plain. The book is not about just one egoist, the skillfully anatomised yet by no means merely monstrous Sir Willoughby, embodied though he is of essentially masculine vanity.

All four chief personages have their own demanding egos and their conflicting desires. How each is to be grat-

ified, to some extent, is part of the story. When that resolution is reached, the author - in his own metaphor - rings down the curtain, suitably on a novel described on its title-page as "A Comedy in Narrative".

To a notable extent, the whole book can be seen as a play. It has effectively a single set, Sir Willoughby's seat of Patterner Hall. The action is carried forward largely by dialogue, and the central quartet of lovers, or would-be lovers, is



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The Cambodian holocaust under Pol Pot had a numbing effect on the survivors. So horrifying did the arbitrary murders and the hunger become in the later years of Khmer Rouge rule that Yusof, a Cambodian Cham Moslem trader, was able to describe 1976, the first full year of Khmer Rouge control, as a time of "normal killings". This involved only "small numbers of people taken away".

He was one of the 500 Cambodians interviewed by Ben Kiernan in this detailed study of the Khmer Rouge revolution and how it devoured itself in

less than four years. The shadowy *Angkar* (the organisation) under the leadership of Brother Number One - as Pol Pot was known - was responsible for the deaths of more than 1.5m Cambodians, a fifth of the population.

But it is not only the survivors who seem to have had their faculties deadened by contact with what happened between 1975 and 1979. Kiernan falls easily into the jargon of the Khmer Rouge years as he relates the chilling anecdotes

of the eyewitnesses he meets. Phrases such as "new people" (the tag given to city dwellers and those with skills and education who were particularly persecuted by the Khmer Rouge) and "hase people" (peasants) quickly lose their inverted commas. Yet these were meaningless constructs used by the Khmer Rouge: many townspeople were peasants who had migrated from the countryside; and many peasants therefore had relatives in the towns.

Using Khmer Rouge documents and the accounts of survivors, Kiernan attempts to find the makings of a coherent ideology to explain the actions of Pol Pot and his followers. His principal thesis is that the Khmer Rouge regarded Khmer racial purity as more important than the class struggle, a line of inquiry he says has been neglected.

It is true that the Cham Moslems (who were often forced to deny their religion by eating pork on pain of death), the ethnic Chinese, and people of Viet-

namese origin were persecuted and frequently massacred. But the same was true of the Khmers themselves, as Kiernan's interviews make clear. Moslem leaders were humiliated and killed; Buddhist monks were dethroned and

THE POL POT REGIME: RACE, POWER AND GENOCIDE IN CAMBODIA UNDER THE KHMER ROUGE, 1975-79
by Ben Kiernan
Yale University Press £25, 512 pages

murdered too. And one of the most intriguing discoveries Kiernan makes is that many Khmers who came from the eastern side of the country (and who were therefore suspected of being sympathetic to Khmer Rouge dissidents and to Vietnam) were given blue clothing by the *Angkar* towards the end of the regime; few realised it at the time, but this singled them out for perse-

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ARTS

Edinburgh Festival Fringe benefits and other pleasures

Antony Thorncroft finds there is something for everyone at this year's ever-growing event.

The attraction of Edinburgh in August is that, however bumble and insignificant your visit, you somehow feel that you are a vital part of the show. And, of course, you are. Never have so many performers gathered together - more than 9,000 on the Fringe alone - to play bunt the audience.

You will be propositioned in the streets by teenagers dressed as Madeleine, entreating you to tramp out to Morningside to see Cleaveheart Comprehensive's musical adaptation of Proust's *A la recherche du temps perdu* at 10 in the morning; you may even find yourself the sole audience in an upstairs room of an abandoned Baptist chapel being the straight man for Volv, the Swedish comic mime. There will be no escape from a dozen Peruvian strolling hands, 100 pavement bagpipers and 1,000 handbill distributors. Whatever the participants on the Fringe lack in artistic talent they make up for in promotional exuberance.

Edinburgh, undeniably beautiful but dour, cold, and calm for most of the year, briefly becomes *en fête* for 24 hours of the day - for even at 3am the bars, clubs and some Fringe venues are heaving, and Arthur Smith can be found leading a drunken struggle on one of his celebrated nocturnal hikes: "It can still be cold, but it's never dour."

Then there is the festival, or rather festivals, as well as the international festival, celebrating its 50th anniversary this year, there are autonomous celebrations of film and jazz, while later in the month all the television bigwigs come to town for an orgy of argument and conspicuous consumption. And every other year, although not in 1996, there is a book festival.

For most outsiders, Edinburgh in August is the international festival, which this year is the biggest and most adventurous yet. But then it always is. However, taking advantage of its golden jubilee, it has pulled out more stags than usual, and is investing \$5.5m in programmes which range from Gluck's *Orfeo*, choreographed by Mark Morris, to 18 of Haydn's string quartets, by way of Robert Lepage's version of *Hamlet*, created, directed and performed by the Canadian *underground* solo.

Yet the odd thing is you can go to Edinburgh in August and scarcely be aware of the main festival. With the population of the city temporarily doubling to more than 500,000, the streets are so packed with performers, artists and eccentrics, arm chancers and homeless Fringe itinerants, and so decorated with a small rainforest of posters promoting Fringe events, that the festival proper tends to become lost in the mass, the preserve of its loyal habi-

tees, many of them local Scots, invariably middle class, often middle-aged, and all hopelessly committed arts groupies.

By 1996 the festival will have its own, lottery financed, permanent headquarters at the Tolbooth, a vast converted 19th century church on the Royal Mile. Until then you must try your luck over tickets at the Market Street box office. This year sales are already 15 per cent ahead of 1995 and more than 80 per cent of the seats available will have been sold before the festival opens on August 11.

But do not despair. There will always be availability for some events, and taking a flier on Schoenberg's *Gurrelieder*, or the in-depth investigation of Scottish fiddle music, may be your best bet. Don't turn up expecting to get into the opening concert - a re-creation of the first festival in 1945, with Schoenberg's *A Survivor from Warsaw* and Beethoven's Third Symphony - or the *Orfeo*; they have long sold out. Director Brian McMaster has, however, stamped his high standards so firmly on Edinburgh that anything he has programmed should be worth taking in.

Obviously eye-catching is a second Gluck opera, *Iphigene auf Tauris*, which will be given the treatment by another modern dancer, Pina Bausch, while anyone seriously interested in the arts must see a rare revival of *Pastor Frolsch's Three Acts* by Virgil Thomson to a libretto by Gertrude Stein, which was so successful when it was premiered in 1934 that it enjoyed a run on Broadway.

Other highlights are Peter Stein's production of *Uncle Vanya*; Miranda Richardson taking the lead in Robert Wilson's version of Virginia Woolf's *Orlando*; and John McGrath's reworking of the most famous, and earliest, Scots play, by David Lindsay, now called *A Squire of the Four Estates*, which will run at the grand new venue, the International Conference Centre, which has opened in Leith Road.

There have been the inevitable cancellations - illness has scuppered Neil Bartlett's *The Seven Sacraments*, based on Poussin's paintings, and Sir Charles Mackerras has withdrawn from the final night concert, of Mendelssohn's *Elijah*, to be replaced by Paul Daniel. The Orlando Quartet, down to string out the Haydn, has disbanded, but its programme will be undertaken by other strong comers.

Everyone in Edinburgh in August should try to take in one mainstream festival event. Apart from the high standard of performance, the venues, from the spanking new Festival Theatre, to the cavernous Playhouse, from the Edwardian King's Theatre to the Victorian Usher Hall, all have a sense of place



and help ensure a memorable occasion.

But most visitors have their eyes on less exalted mental nourishment - they are there for the Tattoo, performed near the castle, or for the Fringe. In 1945, there were eight companies on the Fringe; this year there are more than 1,200. It is perhaps the best example in the arts of the virtues, and vices, of a free market.

There is no quality control: the directors of the Fringe just offer guidance to participants from all over the world, who will stage more than 14,000 performances in 187 venues. Over the decades the Edinburgh Fringe has given the vital first impetus to the careers of many great talents - from Tom Stoppard to Richard Eyre, from Victoria Wood to Rowan Atkinson, from Billy Connolly to Robin Williams.

Its importance has recently grown more far reaching, having established itself as the biggest comedy festival in the world. Many of the TV executives up for their junket will justify their expenses by trawling the leading Fringe venues for the newest comic talents.

The explosion in irreverent television comedy, the new wave like Herring and Lee, which has sent old stagers like Cannon & Ball into oblivion, was triggered in Edinburgh. To win the Perrier Award for the best comedy act on the Fringe, which in recent years has gone to Sean Hughes, Frank Skinner and Jenny Eclair, leads inexorably to a TV contract.

The involvement of Big Business

has unsettled the glorious anarchy of the Fringe but has not overwhelmed it - yet. There are now three dominating Fringe venues: the Assembly Rooms, the Gilded Ballroom and the Pleasance, which have created a structured and highly capitalised network.

You must be able to offer high guarantees to command performance space in these warren-like buildings, and they tend to be used by established acts trying out new material before capacity audiences. Going for safety, and numbers, is against the free-wheeling spirit of the Fringe but it does ensure that anyone visiting Edinburgh can play safe and avoid wasting their ticket money on pitiful shows.

But it would be nice if some of the crowds queuing to see their favourites at these smoothly managed venues sometimes took the trouble to venture to see the unknown in the out-of-the-way.

If the upper reaches of comedy on

the Fringe had the fingers of London agents all over them - this year popular names like Jo Brand, Lee Evans, Sean Hughes, Jenny Eclair and Arthur Smith will all be doing Edinburgh, yet again - it is still possible, thanks to the spread of media attention, and competitive awards like the Perrier, the Open Mike, and So You Think You're Funny, for a complete unknown to make the str which quickly becomes an earthquake.

Ask Harry Hill, who did the trick two years ago, and Tim Vine, who was a "who-he?" in August 1995 and is now a television veteran. It is always shrewd to pursue the latest buzz, to follow up The Scotsman's weekly selections, and to pay at least one visit to the open comedy sessions that dot the programme.

There is some apprehension about the dominance of comedy over the Fringe audience, to say nothing about the ticket prices - up to £10 - charged by the bigger venues. But the organisers of the Fringe can do little but draw attention to the strong drama programme this year: more than 500 theatre productions are on offer, and over half these shows will be premieres. Some ostensible Fringe venues, like the Traverse, are as professional as the Royal National Theatre, but there is a certain charm in checking out the performances of Celtic music in the three-storey car park in Old Fishmarket Close.

This year the National Theatre is actually appearing on the Fringe, its Studio presenting Patrick Marber's *Dealer's Choice*. More to the

point, many of its star backroom staff, like designer Alison Clitty, and actors like Fiona Shaw, will be taking workshops at the Fringe Club for tyros. The National's director, Richard Eyre, will also be there, tracking down new talent.

In the recent past the Fringe has not provided the theatrical breakthroughs enjoyed by comedians. But last year *Trainspotting*, the play, started here, and Fringe director Hilary Strong is keen for the Fringe to provide the missing experience for young actors between drama school and fame, a gap provided in the past by rep or Theatre-in-Education.

It is too easy to overlook the internationalism of Edinburgh in August. The fall of the Berlin Wall brought a flood of liberated eastern European performers, and this year there are quick return visits from the Georgian Film Actors Studio and Teatr Biuro Podrozny of Poland, as well as new work by home-based companies Red Shift, The Wrestling School and Communicado.

There are six *Macbeths* (including a version by that venerable enfant terrible Richard de Marco at Ravenscraig Castle) and a multi-media *Hamlet* with music from the Smiths. There is Clare Grogan in *Lady Macbeth Firmed My Buttocks* and a 90-minute version of *The Bible*. There is *The X-Files* star Jerry Hardin doing Mark Twain and a stage version of *Reservoir Dogs*. There are school kids having fun, students being pretentious, and old hopefuls having one last try. There will be a lot of rubbish and some gems.

The missing ingredient from Edinburgh in recent years has been a strong show of visual art. The festival still eschews this sector, but as well as more than 50 commercial gallery displays there is a highly praised exhibition of the work of Alberto Giacometti at the Gallery of Modern Art while the National Gallery of Scotland on the Mound has "Velazquez in Seville".

The Mound becomes the official day-time focus of Edinburgh in August (the club bar at the Assembly Rooms takes the strain at night). Here the stunt men and the buskers entertain the mass of visitors, and craft stalls conduct their business to the sound of the bagpipes and the Andean flute. There is nothing elitist about the city. Indeed, it sometimes seems irredeemably vulgar.

But within a few hundred yards of this holidaying mass the Orchestra of the Eighteenth Century will be playing Rameau and Bryn Terfel will be singing Schubert; Ardal O'Hanlon, star of *Father Ted*, will be bantering away and Jimmy Cricket will be continuing the recent obsession of older comedians with the Fringe; there will be Broadway musicals revived and late-night cabaret buried; there will be circuses and a Scottish Riverdance. There will be everything you need for diversion, and much you can do without.

It is impossible to be in Edinburgh in August and not catch the buzz. And the odds are that the buzz will come from a totally unpredictable source.

Cash-rich but bankrupt

The tickets may sell out but Bayreuth lacks ideas and vitality, says Andrew Clark

The coffers are full. The Bayreuth festival could sell 10 times more tickets than it has at its disposal. The Festspielhaus, newly restored and painted, has never been in better condition. And the audience at last week's opening night was a roll-call of the rich and powerful, headed by the German president and Bavarian state premier.

They had come to see *Die Meistersinger von Nürnberg*, in a staging by Wolfgang Wagner which reflects the current state of the festival. Wolfgang portrays Nuremberg as a harmless community in which Beckmesser and Sachs embrace at the final curtain: all is banal that ends banal.

Naive in intention, dull in execution, the production tells us nothing new about *Meistersinger*. As long as the stage is full and colourful, the composer's 76-year old grandson is satisfied.

Scratch beneath the surface of *Meistersinger* and there is more to grandpa's story than a utopia of art and life. As several productions have recently demonstrated, the warm humanity and extrovert nationalism of *Meistersinger* hide a darker world of irony, conflict and ideological association. But do not expect to see this at Bayreuth. Wolfgang has been working on

Wagner, and Wagner alone, for so many years that the world at large appears to have escaped him. Even on the most basic level of design and choreography, his new *Meistersinger* is not a patch on his 1981 production. He has run out of ideas - if ever he had them in the first place.

The coffers may be full, but the Bayreuth festival is bankrupt. It has no ideas, no sense of renewal, no artistic vitality. Its current *Ring* is more of a fashion show than a music drama, its *Parsifal* a pale copy of the past. *Tristan und Isolde* alone has something to say - but its producer, Heiner Müller, died earlier this year. Next summer there will be no new production. Wasn't Bayreuth supposed to be at the forefront of Wagner interpretation?

The best that can be said about the new *Meistersinger* is that it is gratefully sung and played. All the principals are new to their roles, and in the case of Robert Holl's Sachs and Renée Fleming's Eva, new to Wagner. Holl is more of a Lieder singer than a Heldensänger, which means he brings a rounded cantabile to the Flieser monologue but lacks the stamina for the finale. He presents a grave, patriarchal figure, who does little but stand or sit. Fleming's Eva, in an eye-catching variety of early summer dresses

designed by Jorge Jara, is desirable, natural and wholesome, and sings gorgeously.

Peter Seiffert's *Stolz* is the production's other big success. Tall and commanding, with a voice that combines the lyrical and the dramatic, he has the unique distinction of making the prize song sound easy. Andreas Schmidt's Beckmesser is

After 30 years in command, the time has surely come for Wolfgang to retire

also handsomely sung - but the production turns him into a bland, bourgeois bore, with n'er a whiff of comedy or caricature.

The performance unfolds in front of a vast reflecting panel, patterned like the convex face of a globe, on to which are imposed fresco-like illustrations of a Madonna in Act 1, Nuremberg's rooftops in Act 2 and the foliage of the meadow in the finale. It is superficially impressive, but like Sachs's bare white study, it is also dramatically sterile. The

action is cramped by blocks of brutalised architecture, and the Act 2 riot is a non-event.

Of stage direction there is little sign - unless you count the *Meistersinger*'s procession in Act 3, which has them perversely moving from front-of-stage to back.

But Wolfgang is crafty enough to have Daniel Barenboim as conductor. This was Barenboim's first *Meistersinger*, and it sounded as if he had lived with the score all his life. Tempi were brisk and well-integrated, the textures transparent; climaxes were developed out of long string lines but despatched without bombast. This was a softer, more subtly differentiated Wagner than we usually hear from Barenboim.

If there were any doubts about Barenboim's pre-eminence among Wagner conductors today, they were banished by *Tristan und Isolde*. Barely 24 hours after his *Meistersinger* marathon, he was back in the pit, inspiring the festival orchestra to play with the utmost abandon - without sacrificing quality of articulation or drowning the singers. As in *Meistersinger*, there was a sense of organic development, of an unbroken arc extending from the opening bars to the close. This puts Barenboim in the finest company, and I do not expect to hear such incoherent playing



Saving grace: a rapturous performance by Waltraud Meier as Isolde at Bayreuth

or conducting in *Tristan* for a long time.

I can imagine it better sung, but that is only because Siegfried Jerusalem's *Tristan* had a vocal ailment (announced before the start) and was reduced to miming the final act

while Wolfgang Schmidt sang offstage. Even that paled into insignificance beside Waltraud Meier's rapturous Isolde. Since she first tackled it in 1993, when this production was new, the voice has grown into the part. The upper reaches are now

comfortably supported, the laser-like penetration as stunning as ever.

Meier's Isolde is slimline, independent, feminine - very much a modern creation. Bayreuth audiences are often ecstatic in their applause, but the spontaneous standing ovation which greeted Meier's first curtain call was exceptional. She is the festival's undisputed queen.

Despite its inconsistencies, particularly in Act 3, Müller's staging has earned the status of a Bayreuth classic. It sweeps away the dust of inherited performance tradition, adopts a cool, sceptical approach to the work's passions and forces the audience to think. In the long central love scene, Tristan and Isolde barely touch; after her *Liebestod*, Isolde fails to expire. The entire performance is shrouded in symbols of a physical, social and moral order that prevent the lovers from achieving the ultimate union. Wagner may evoke the utopia of ideal love, Müller seems to be saying, but *Tristan* shows it is unattainable.

Where does Bayreuth go from here? At the moment it is going nowhere pretty fast. After 30 years in sole command, during which he has put the festival on a sound financial footing, the time has surely come for Wolfgang to retire. It is also time the German establishment - including the Bayreuth mayor, Dieter Mrowz - stopped being so deferential to him. But like all other absolute rulers, giving up power is the last thing on Wolfgang's mind.

ARTS

Quirky works set the scene

The Whitechapel Open is sparking with confidence, writes Lynn MacRitchie

Perhaps the trickle-down effect really does work — in the art world, at least. In a year when British art has had possibly its greatest international recognition since Pop Art swung in the 1960s, the Whitechapel Open, that biennial free-for-all for London's huge East End art community, positively sparkles.

The work, selected from an open submission of around 5,000 pieces, is varied, competent and confident, the mood upbeat. For once, London's art community, mostly given to moaning and gloomy self-deprecation, seems to be set on enjoying its moment in the sun.

Much of the credit must go to the selectors, three from the Whitechapel staff and the curators of the Commercial Gallery, Delfina Studios, the Showroom and London Electronic Arts, all of whom were invited to choose works from the initial selection in accordance with the policies of their own venues.

At the Whitechapel, the selectors explained, the aim was to choose the very best show while still offering a fair representation of the range of work submitted. Thus the selection includes prints, drawings and three-dimensional works as well as painting and mixed media pieces. For once, the heart does not sink at the sight of a variegated conglomeration of work, an exhibition technique usually guaranteed to show everything at its worst.

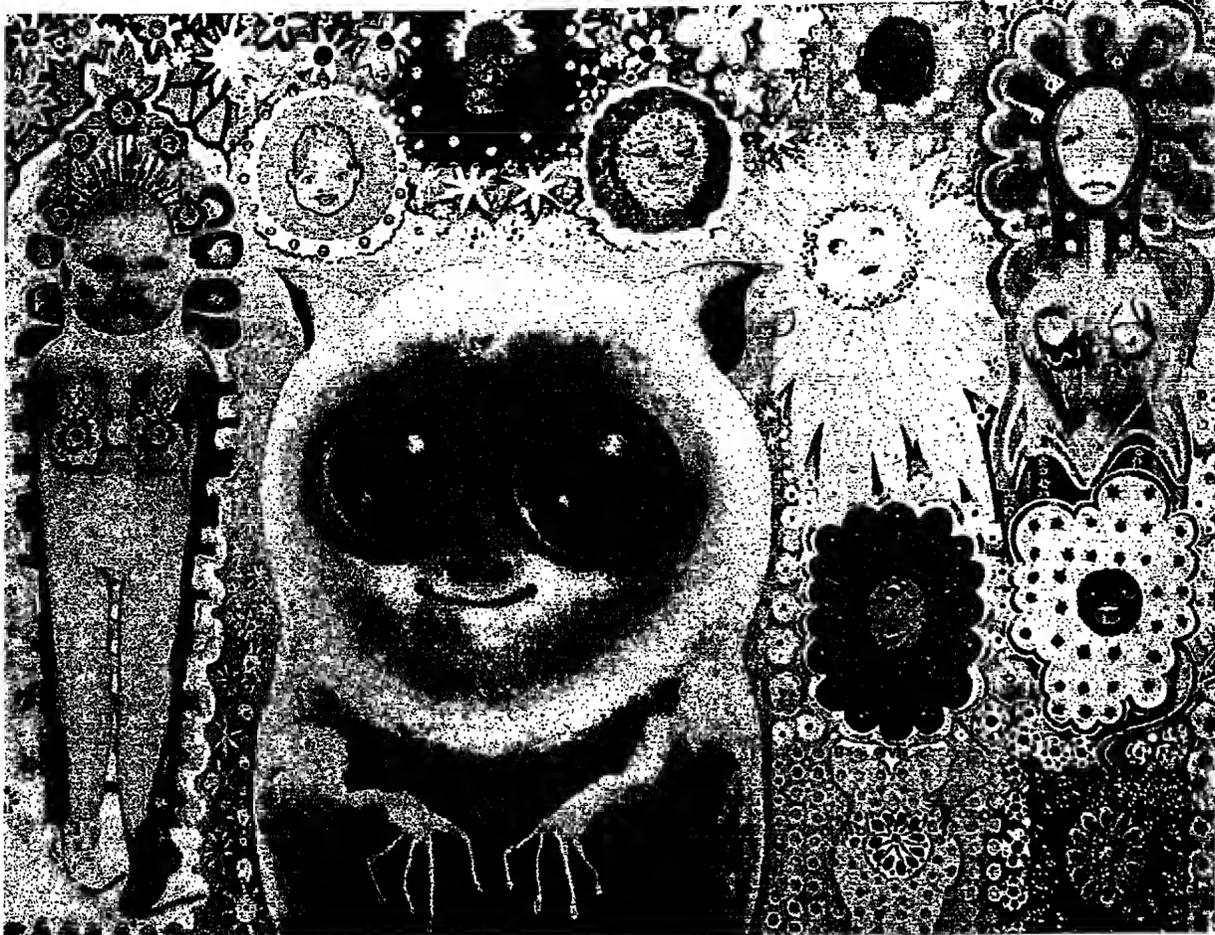
One of the strongest characteristics of British art, and one in which it shows itself particularly in tune with the times, is its idiosyncrasy. Younger artists established on the international scene such as Damien Hirst, Mark Wallinger or Georgina Starr have very particular styles. Each has developed a visual language to explore their own obsessions, supportive of but not dependent on the work of their peers.

The most successful artists in the Whitechapel selection show a similar determined quirkiness. Andrew Mansfield paints strange animals with gleaming eyes, manifesting like ghosts from delicate washes of paint. Mariele Neudecker creates miniature worlds in glass boxes full of disassembled and forbidding where tiny ships run on to rocks in the fog and minuscule nature lovers huddle near their camp fire as night closes in. Mark Hosking takes a weird and wonderful orange and white glass lamp and photographs it in odd locations, deserted church halls for example, leaving one to wonder about its strange adventures.

These three are winners of the Moment prize, awarded for the first time this year to mark the art moving company's 25th anniversary, and they have several pieces on show. In an exhibition whose participants prize its open entry above all, this seems a tactful way of showcasing particularly interesting work without compromising the ideal of access.

To say that individualism is prized is not to deny influence: as in any exhibition made up mostly of the work of artists not yet firmly established in their own careers, the work of those already successful is an inevitable presence.

Mark Wallinger hovers over Masakatsu Kondo's "Side Saddle Horse", a monochrome painting of a lady so mounted; Glen Brown over Jenet Thomas's "Gainsborough's Other Sisters", a Gainsborough copy with its original beautiful faces melting into grotesquery; Damien Hirst and Fischli and Weiss (at present occupying the Serpentine Gallery) over Jason Davidge's "Out of Focus", a shabby wall cupboard with anonymous contents. To play spot the influence is not necessarily to denigrate derivative work; it can be an opportunity to identify which artists think are making the



Kioskyeratic; 'Paradise Park' (1990-94) by Catharine Ward at the Whitechapel Art Gallery

most significant work of the moment.

Areas of common interest emerge, such as miniaturisation (tiny animals, houses, tents), the use of found furniture, and objects in unlikely juxtaposition (a bar of soap atop a column of dried apricots fixed to a shabby table, for example). And there is plenty of straightforward painting and skilful drawing to relieve those who so often predict their demise.

But why rely on the word of a critic? The Whitechapel has given

the artists a chance to speak for themselves, in short video presentations. This is fascinating, a sort of Video Nation of art, with the explanations of the work as varied as the appearance of the artists themselves, suddenly identified as recognisable individuals. Some are loquacious, some reserved, some frankly incoherent. Who could have guessed that a large yellow and blue abstract was really about angels and devils, or that another rather garish painting in Day-Glo colours was striving to represent a

place where we could all escape from the cares of the world? Whoever would have thought it...

Around the other venues, Delfina in Bermondsey shows a well-selected group, including good work by Steve Johnson and Claire Robbins. The Commercial Gallery shows larger scale work and site specific installations at Commercial Two. The Showroom has a one-person show by Andrew Mount, and London Electronic Arts has a selection of video pieces.

Artists in the multifarious studio

complexes which spread all over the East End are opening their studios on weekends throughout the summer. Full details and a handy map may be picked up at the Whitechapel. And last but not least, the curating organisation Rear Window, also invited to participate, is presenting an installation by Jacqueline Pennell in the basement carpark of a studio complex in Hoxton which is an object lesson in cool, intelligent minimalism. Altogether, a very good year for the Open: see it while the moment, and the weather, lasts.

The Open, July 19 - September 15. Venues: Whitechapel Art Gallery, Whitechapel High Street, E1; The Commercial Gallery, 109 Commercial Street, E1; Delfina, 50 Bermondsey Street, SE1; London Electronic Arts, Last Orders, Unit 11, 134 Curtain Rd, EC2; The Showroom, 44 Bonner Rd E8; Rear Window, Sara Lane Workshops, Stanway St, N1.

Full details of all venues and open studios, including studio bus tours, from the Whitechapel Gallery, tel: 0171-522 7888.

Television / Christopher Dunkley

Long, hard look at life extension

Every now and then, about once a decade actually, a television programme comes along which you know, even as you watch, will radically alter the way that you perceive the world. For me these programmes have included the first comprehensive and comprehensible explanation of the significance of the microchip, screened at about the time the first digital watches and pocket calculators were appearing; and the first coherent account of genetic engineering.

On Monday BBC2 will show another programme in this rare category. Like those previous examples, *Life Without End* does not spring a brand new subject on an unsuspecting world but, like them, it suddenly makes sense of what had formerly seemed to be a

mixture of hype and fantasy.

For some reason this is not the first but the third programme in a BBC2 season called "Coming Of Age", which begins tomorrow night. The season has been prompted by the rapid change in the ratio between old and young in industrialised nations, but it might have been logical to begin with *Life Without End* since this is the programme which seeks to explain what is really happening in the science of life extension.

Producer Chris Spencer provides a survey of the various approaches being made - prac-

tically all in the US - from the laughable ("Life Extension Shampoo") via the highly questionable (monkey glands for a previous generation, magic potions today) to the scientists who are talking about human lifespans of 200, 400, or even 600 years.

It seems that 600 is about the optimum age in a world where disease has been virtually eliminated and the main causes of death are accident, murder and suicide. Some scientists are saying that the accelerated extension of age to well over 100 years is not some futuristic marvel, but a practical possi-

bility within the lifetime of those at present approaching middle-age. "Surf the age wave and stay alive indefinitely." For the viewer the difficulty is in knowing how much credence to give the scientists consulted. Most seem perfectly serious and sober but which of us has the expertise to pick out the plausible natter from those with real probity? It is one of those occasions when you would be grateful for the guidance of a Bronowski or a Popper (John Maddox, perhaps, now that he has retired from editing "Nature").

The most intriguing section

of the programme deals with an experiment being run by Roy Walford, in which mice are starved of calories but given all the vitamins and nutrients necessary to survive. Though much thinner than mice allowed to eat all they want, they live twice as long. Walford, who says, "Ageing is a biological process we can bring under control", is now 10 per cent below his own prescribed body weight, treating himself much as he treats his low-calorie mice, and asking whether over-nutrition might be one explanation for the prevalence of fatal diseases

such as cancer. You do not have to believe that, nor that "Our generation could well be the first to experience practical immortality", to realise from this programme that there is a lot more to the ageing phenomenon than anxiety about the lack of young people to provide pensions for the old. Naturally such matters do feature large in other programmes in the season. It begins tomorrow with David Dimbleby presenting *Staying Alive*, the first of a two-part programme which looks at what is already happening in Japan, the US and the UK. We

knew, of course, about those embarrassing old American women who insist on dressing up in rara skirts and glossy tights and going through cheerleader routines, but it is eye-opening to discover that in Florida this generation has successfully opposed a tax increase of 0.5 per cent for the education budget. That really does look like the possible start of a generation war.

Even more startling, given the image of an age-revering society which we have been fed so assiduously in the past, is the revelation that the Japanese now have "cardboard

cities" full of former construction workers. Dimbleby talks to members of Britain's baby-boom generation - those born immediately after the second world war and now hitting 50 - who seem to feel that friction between the generations will inevitably increase.

Later, Nigel Evans turns the spotlight on *Grey Sex*, or sex among the elderly, in a programme which is by turns curiously embarrassing, bravely informative, gloriously funny and remarkably touching. Some little group somewhere invariably works up a spot of outrage over programmes as explicit as this, but experience proves that among the bashful British far more viewers will be almost hysterically grateful for help or enlightenment which they have never dared to seek elsewhere.

Songs of Robert Schumann Vol. 1. Schäfer, Johnson. Hyperion CDJ 33101

Hahn: Songs. Lott, Bickley, Bostridge, Varcoe, Johnson. Hyperion CDA 67141/2 (two discs)

Janáček: Diary of Ooe Who Disappeared. Langridge, Johnson. Forlane UCD 16746

Tchaikovsky: Complete songs. Vol. 1. Leiferkus, Skigin. Confir Classics 75605 51266-2

Wings in the Night. Von Otter, Forsberg. DG 449 189-2

Schubert: Lieder. Baker, Moore, Parsons. EMI CZS 569 388-2 (two discs)

Some seem to be the record companies' saviour these days. As making opera recordings becomes more costly, and the public resists yet another *Tosca* or *Don Giovanni*, the song repertoire has come into its own. It is relatively cheap to produce and there is plenty of rare and interesting material still to record.

Hyperion was the first company to be seduced by its lure and has done extremely well out of it. Spurred on by Graham Johnson, the accompanist and one-man encyclopaedia of song, the company embarked on a complete Schubert Edition that will take a decade to finish. That is still work in progress but, in between writing the detailed booklets that come with each disc and fitting in recitals around the world, Johnson has found time to launch two further series for light relief. Being accompanist to half the world's singers is evidently not enough to keep this pair of hands busy.

The latest of these Hyperion song editions is the complete

Records / Richard Fairman

Rebirth of the song

Schumann. Volume 1 has just appeared and makes an auspicious start by introducing a young German soprano who on this evidence is a born Lieder singer. Anybody who watched last weekend's television relay of Berg's *Lulu* from Glyndebourne will have seen Christine Schäfer in action. Strip away the slinky evening dress and the femme fatale eye-shadow and underneath is a pure-toned soprano.

There has been a lot of talk in recent years about singers who have "recording voices", but I do not hear that as a bad thing, and certainly not when the voice can be as intimate as Schäfer's without ever sounding insubstantial. This first volume of Schumann concentrates on his late songs, generally regarded as the least successful, when the composer was gradually losing his battle against syphilis. Many are elusive, but Schäfer and Johnson treat each one with the utmost affection.

The two-disc set of *melodies* by Reynaldo Hahn is the second in Hyperion's French Song Edition, a collection of considerable importance, like the Gounod which preceded it. Hahn is generally known by just a couple of songs today. His latest disc is the first volume of what promises to be a

complete Tchaikovsky cycle, which will reveal hidden jewels to those who never progress beyond the composer's famous symphonies and concertos. Leiferkus brings to this first selection a baritone and a noble feeling for the long, bel canto line that Tchaikovsky admired in Italian opera, although both he and his accompanist, Semion Skigin, might find more intimate colours at times.

At DG, the success of Anne Sofie von Otter's award-winning Grieg recital demanded a follow-up. What she and her imaginative pianist, Bengt Forsberg, devised is a whole disc devoted to the hitherto ignored area of Swedish song. Composers like Peterson-Berger, Stenhammar and Rangström are little known outside Scandinavia, but this disc is a delight - songs of a glowing, late romantic beauty, as brilliant as the winter sun.

Do not be deterred by texts in Swedish. Despite signs of vocal strain these days, Von Otter has become an invigorating singer with the zeal to win converts to the Swedish cause. It is my number one choice among the new discs.

A word, however, for one release from the past: EMI has just released on CD Janet Baker's 1971 *Schubert evening*, which was among the singer's most treasurable recordings, an object-lesson in how to sing Schubert with purity of style and still make every word come alive. It makes a somewhat longer evening now, thanks to the addition of a later (and rather less distinguished) Schubert recital to fill the second disc, but the glory of the original has not dimmed.

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Radio / Martin Hoyle

Blockbusters for the ear

The play's the thing. At least, on the radio it should be. But the old cliché about radio being such a visual medium, allowing you the freedom to imagine the action as you will, was too often an excuse for listless acting and dowdy production.

Radio 4's afternoon play spot went through a dowdy patch not so long ago when many gave up listening. There was a counter-movement, still going strong, that conversely tried to do every 1 and cross each 1 with location recording and virtual stage acting in the studio. I remember a pioneer in the technique in one of the regional studios going to the extremes of making his actors bounce about on a mattress on the studio floor and insisting that an actress perform in her petticoat for one scene.

More recently we have had productions about homber command where thespians lay flat on their tummies in corridors to give the correct physical impression. And, of course, places like Glasgow send troupes of mummies and their technicians scurrying out into the highways and byways to convey the *genius loci* to the listener in his front room.

None of which is remotely necessary, given a decent script, professional actors and a good producer. Some critics there are, of film and theatre, who seem embarrassed by the

English language tradition: the British fondness for adaptation from literary sources, the one form, after all, the British have been good at for centuries.

Again, such caution is unnecessary. As witness *Dr Thorne*, the third in Radio 4's production of all Anthony Trollope's Barsetshire Chronicles. Cherry Cookson (director) and Martyn Wade (adapter) do the work proud; and a cast headed by John Wood, Leo McKern and Amanda Root cannot be bad. When the supporting cast includes Eleanor Bron, Selina Cadell, Christopher Benjamin and Ann Beach, you realise this is the radiophonic equivalent of a blockbuster, except that, unlike most blockbusters, *Dr Thorne* is a success.

Beach has stolen more stage and television shows from under stars' noses than John Birt has had business lunches. She is a pillar of BBC radio drama and, yes, vivid enough to conjure up the dumplily demure persona with its deceptively coy smirk that her performance in the flesh made so delightful.

Another actor with these conjuring abilities is Martin Jarvis. His readings of Michael Frayn have always occupied central position in humorous broadcasting's hall of fame, and he has been reading a new batch of Frayn, *Speak After the Bleep*, each morning on Four. Not reading, performing, as Radio Times rightly puts it,

produced by that veteran comedy man Pete Atkin.

Still in literary vein, last Saturday's adaptation of Mollie Keane's *Behaviour* was exemplary of its kind. Beautifully evocative of the maddeningly Etkhovian helplessness of a dominant class gracefully sinking with a telescope clapped to its blind eye as it elegantly refuses all offers of help. Again, the cast list reads like a roll-call of some of our best actors: Frances Tomelty, Annette Crosbie, Ronald Pickup...

Not forgetting Shelagh Stevenson, who adapted the novel. She can evidently turn her hand from linear literary yarns to the more radio-aware internal drama of memoirs and thoughts, past and present interwoven. Her *Five Kinds of Silence* ended the interesting *Five in July* series by up-and-coming writers. Tom Courtenay was the tyrannical husband and father killed by the family he had subjected to violence and sexual abuse. Beautifully cast (director Jeremy Mortimer), the play cast an insidious spell, showing how the unthinkable can merge into the acceptable.

Given this is the so-called silly season, the burgeoning summer has brought some treats to remind us of what the British do well. There is a down side, of course, and radio

is right to keep us alert. The novelist Margaret Drabble took over Saturday's *Inside Money* to explore, as a bewildered by-

man, insurance schemes that promise security in old age. The conclusion, not all that surprising, was that most schemes were vague, hard to pin down, and evidently organised for their own commercial benefit. It is to Drabble's credit that she seemed surprised, one of the dwindling number of the socially conscious who feel that someone somewhere should actually take responsibility for the old. The moral: go to the Netherlands or Canada.

Another reminder of the long littleness of life was the intriguing *File on 4* on VAT and the naked warfare that this loophole-ridden impost has triggered between officialdom and the rest. The rest include small businesses that, if their marshmallow cones are categorised as confectionery instead of cakes, may go under to the resultant 17.5 per cent VAT. It also includes the university that formed a separate company for its heating, exploiting water's zero-rating, not to mention the big banks, where VAT-avoidance is the concern of vast bureaucratic departments.

VAT contributes a whopping 25 per cent of the government's tax revenues, but this year is already suffering from a 1500 shortfall. The contest is "turning nasty". Need I add that VAT is a European invention?



James Morgan

The Olympics and national differences

If you criticise strident flag-waving and rampant commercialism, you criticise the US

This paper reported last week that Nike, a leisure footwear firm, had been criticised for some of its Olympic advertisements. They had, apparently, adopted a contemptuous attitude towards those who failed to win a gold medal and that, it was felt, contradicted the Olympic spirit.

One fails to understand why. Even before last Saturday's bomb the Olympic spirit left much to be desired. It had brought the nations of the world together only in the sense that 196 of them had united against the 197th, that is to say the US.

The Atlanta games were widely reckoned to be badly organised, the hosts came across as unbearably

chauvinistic and the occasion was used for what the Russian and Chinese media called "propaganda purposes". The mayor of Atlanta replied that critics should be shot. Some of the attacks seemed unfair: if TV news bulletins want to interest the viewers they must concentrate on their compatriots. If those compatriots win a lot of medals, reporting them will take some time. After all, a British bronze wins two minutes of airtime at any time of day in the UK, and that is five times a day.

Among the most consistent critics of the whole affair was the *Frankfurter Allgemeine Zeitung*. The FAZ is of course critical of almost everything: its editors routinely tell St Peter to smarten up

and complain about the workings of the Pearly Gates when demanding entry. It attacked the "oriental flea market" around the Olympic stadium and noted that when a foreign gymnast performed brilliantly "not a hand was raised in applause" by the nationalistic audience. But, as a colleague of mine noted in a report from Atlanta, if you criticise strident flag-waving and rampant commercialism, you criticise the US.

Are Americans alone in complaining that when their national champion swims in at number nine then everyone else must have cheated? Research demonstrates that national differences are considerable. The British see their inadequate results as a conse-

quence of a lack of public sector commitment, a typical refrain. Curiously, the French, highly successful at this meeting, agreed. *Le Monde* quoted the British gripe and then listed the "jobs" held by French gold medalists: an impressive list of public sector sinecures. But the French, in their current mood, are the last to let success go to their heads. "A medal does not make a spring," wrote *Le Figaro* in an editorial that otherwise tried to convince its readers that France was not mired in hopelessness.

In Poland, other news disappeared from the front pages. When Renata Mauer came third for the third time in a shooting competition, *Rzeczpospolita* led with "Three colours bronze". That, if you need

telling, is a sort of pun: the late director Krzysztof Kieslowski made three films with titles beginning "Three Colours". Intricate little jokes are a local speciality.

The Germans, meanwhile, repined over their presumed failures. A swimmer said they had been "punished by silver and bronze". Even the FAZ thought this was going a bit too far.

The bomb seemed to lighten the mood. British editorials hoped that now, maybe, Americans would stop pouring money into the pockets of the IRA. From Munich, the *Süddeutsche Zeitung* wrote: "Even before the bomb exploded in Centennial Park the Atlanta story was not of hard-fought victories and heroic defeats but of the collision of

the American view of sport as profit-oriented entertainment with everybody else's concept of worldwide, and hence unifying, competition." An optimistic view of everybody else, perhaps, and one that led to the cheerful conclusion that, thanks to a madman, Atlanta had become a symbol of everything the games should not be.

In Milan, *La Repubblica* seemed to think the bomb had done some good: it had rescued the games' organisers. "Before the bomb - arrogant, disorganised, false... afterwards - sincere, determined, honest."

Maybe terrorism could become a new Olympic event.

James Morgan is BBC World Service economics correspondent.

Kieran Cooke Peddling culture shock in Oxford

Doris came within an inch of being run over by a trishaw last week. For my mother-in-law this was an event giving rise to profound cultural confusion.

The incident happened outside the botanical gardens in Oxford. Doris is Chinese and is visiting from her home town of Singapore. "What was that?" said Doris, peering after the fast disappearing three-wheeler.

I told her. The trishaws are the latest transport item in the city, ridden around by nuclear physics students and others trying to supplement their incomes. A Japanese tourist, camcorder whirring away. It was all a little too much for Doris. If I had told her world rice supplies had suddenly run out she could not have looked more shocked.

"Crazy, I say. The *angmor* (in terms of affection for westerners, roughly meaning 'red-haired devil') has no pride any more. I never thought I would live to see a white man peddling a trishaw."

When Doris had regained her composure we walked on to Oxford market. Doris said things had not been the same since the second world war. The Japanese had come down the Malay peninsula on their bikes. The British in Singapore had their guns pointing the wrong way.

A trishaw in England is just one more example of how the world is changing

"We thought the British would always be there but suddenly, they were defeated." Doris did not like the Japanese. Two Eurasian relations were carted off to work on the Burma railway, never to be seen again. A Japanese soldier made off with Doris's Raleigh bicycle. Still, the Japanese had put a large picture in British colonial invincibility.

Doris prodded the vegetables and smelt the fruit. She inspected the eyes of the fish and argued with the vendor about their freshness. At a market café we ate sausage rolls, one of the few pieces of English cuisine Doris finds acceptable.

I said seeing a trishaw in England was just one more example of how the world was changing. Singapore is a wealthy place. For the price of a flat there or in Hong Kong you could buy up a whole street in Oxford. The only difference between trishaw riders in Singapore and Oxford is that over there they are probably paid a lot more. Many have mobile phones.

Goh Chok Tong, Singapore's prime minister, is a country the size of the Isle of Wight but earns about five times the salary of John Major. Goh is proud of the new wealth of his citizens. In Australia he says Singaporeans are called birds. "They go into shops and are always saying 'Cheap, cheap'."

Doris is unconvinced. The idea that the west is rich and the east is poor is deeply ingrained. As she indulges in a second sausage roll while at the same time voicing concern about the lunch menu, I attempt to widen the discussion.

Perhaps the presence of trishaws is also evidence of the continuing globalisation of culture. Most English high streets are a depressing repetition of each other. The same shops and building societies, the same fast food outlets and hanging flower baskets.

The pattern is now being repeated on a global scale. A shopping mall in Dumfries looks very much like the ones in Delhi or Dunedin.

Last year I was in a sandwich shop in Milton Keynes. Within 24 hours I was in another in Hong Kong. The bread was the same, so were the fillings on offer. For a moment I thought the girl behind the counter had flown over with me. It was all a little unerving.

"The trouble with you is you have wind in the head," said Doris. "What have sandwiches got to do with trishaws?"

The point is that if the same food and shops and hotels can be transplanted round the world, why not methods of transport? Camels on the M25, lamas on the périphérique. You could experience the world on your doorstep.

Each country could build replicas of global tourist sights. Cities could be recreated locally. Rome and Bangkok would be built outside Pontefract. King's Lynn could be replaced by San Francisco.

I said Singapore had already attempted such schemes. The island is littered with theme parks. "I once told a Singaporean taxi driver I was hoping to visit China. 'Why go there?' he asked me. 'It's dirty. Just go to the Tang village here, it's much better - and cheaper'."

Doris was ignoring me. Her thoughts were firmly on the next meal. "The trouble is everything is so mixed up you don't know where you are anymore," I said. "You have never known where you are," said Doris. "Now, what about lunch?"

Private View / Christian Tyler

So what would you like to talk about?

When Princess Diana went on television eight months ago to tell the nation she wanted to be its queen of hearts, some detected a wicked witch in the plot. Susie Orbach, Diana's shrink, was accused of transforming Britain's doe-eyed princess into a vengeful feminist with alimony in her heart.

For months the press had lain in wait outside Orbach's house in London's fashionable NW3, ambushing Diana on her thrice-weekly visits.

They began to dig up Orbach's past - her rebellious schooldays, teenage pregnancy and eating disorder, her feminism and left-wing politics, her brief New York marriage, family disagreements.

No wonder the woman is wary. Even though she is no longer Diana's therapist and the princess is waiting for the decree absolute which this month will terminate her 15-year marriage to the heir to the British throne, Orbach is in a state of post-celebrity convalescence.

Yet her attitude to publicity is thoroughly ambivalent. However hostile her feelings, she maintains a relationship with the media. She has agreed to TV and radio appearances while denouncing their treatment of her, she writes a column for *The Guardian* and after some weeks' hesitation she consented to see this newspaper to talk about the parlous state of modern marriage.

Before we sat down, however, she had second thoughts. Was it a mistake to be doing the interview? Would it not all be hitched to Diana's divorce?

When I attempted to soothe and flatter her by saying she was probably the best-known psychotherapist in the country at the moment, she was irritated.

"I should have thought I was pretty well known already," she said. And indeed Orbach made her name nearly 20 years ago with a book called *Fat is a Feminist Issue*. It argued that eating disorders (such as the anorexia and bulimia which Princess Diana suffered) are the consequences of being a woman in a male-dominated world.

The conversation got off to a sticky start while the ghost of the Wales's marriage hovered piteously overhead.

Orbach was soon professionally at ease. From time to time as she talked she fixed me with an enormous pair of gleaming dark eyes. When she smiled it was with disarming sincerity. When she moved about the room she was brisk, slim and neat apart from the self-conscious disarray of her bird's-nest hairstyle.

The majority of Orbach's clients are women. She is also a "couple therapist" - what used to be called marriage guidance counsellor - who, she told me pointedly, advises lesbian as well as heterosexual pairs.

As a psychotherapist she would express no moral opinion on the decline of marriage. "What I can say, I suppose, is that people come to me who are unable to achieve intimacy or recognition or stability of attachment in a relationship and unable to change the nature of the relationship."

Had the emancipation of women



Susie Orbach, once psychotherapist to Princess Diana, maintains an ambivalent attitude to publicity

helped undermine marriage? "I don't think we've got the emancipation of women, only a thrust towards it," she said. "It's lifted the veil of economic dependency and it's exposed the emotional dependency arrangement which was embedded within marriage."

Sometimes Orbach talks in the bland, jargonised style known as psycho-babble phrases such as "textured response" occur frequently - and then you hear traces of the accent she acquired from her

years in the US. At other times a mocking English humour breaks through. She even called herself a shrink.

"I don't think women's desires for intimacy have been overstimulated by women's liberation," she continued. "They've always been there. It's just that a diamond doesn't do it for you any more."

"It's a very obvious thing to say, but as women feel more entitled they want more in their relationships. They don't want to be provid-

ers of emotional nurture and domestic services without having some kind of mutuality."

When I suggested that the standard marital contract between men and women had developed over thousands of years she jumped.

"But it hasn't! It's a very recent phenomenon, modern marriage. Anthropologists could tell you about many many different kinds of arrangement. We feel it's enduring, but the nuclear family in this particular form is a phase. What we are

seeing is the Victorian middle-class ideal."

I asked her about her campaign, *Antidote*, which I had read was designed to put male Members of Parliament in touch with their feelings.

"That's complete bullshit!" she said in a very English, ladylike voice. "What we're trying to talk about is the emotional underpinnings and consequences of policies. You have economic audits all the time, you have statistical audits. You don't have emotional audits."

It sounded a bit woolly, but I found myself warming to Ms Orbach.

I asked her to explain what she meant by "gendered behaviour".

"Well, the way we understand who we are is saturated by a sense of being feminine or masculine - the way we move, the way we interact, the way we look after one another. Gender is completely central to our sense of self."

"But each society creates a set of roles that go with gender. The roles are flexible, but in practice too fixed." Gender was like marriage itself, largely a matter of cultural tradition - and therefore malleable.

So what is immutable?

"Well, I guess that women repro-

duce and lactate and men impregnate."

Nothing else?

"We don't know yet. I mean, we don't even understand what it means that a man impregnates, or that a woman carries babies."

I should have thought it was rather simple.

"I mean we don't know how it affects our psychology."

You have written that it is time to revise our concept of what men are for. What are men for?

"Well, to contribute to human culture and... you know, love and reproduction and all of those things," she concluded generously.

"This image of the man as someone who goes out, you know, *kung-hung-hung* (here she waved her arms like a baby gorilla) and earns the money and plonks the bacon on the table is an incredibly unfortunate image for a man."

I was beginning to feel a bit of an ape myself. If he doesn't bring home the bacon, I said, what on earth is he going to do?

"Well, can't you bring home the bacon and not only bring home the bacon? I mean I'm not somebody who's into androgyny. It's a preposterous notion. I don't want men to be like women. I don't want to be like a man. But I don't feel either sex should be limited in quite the ways we are."

The therapist raised her burning eyes. I melted some more.

Therapists get a bad press on the whole. In the eye of the royal storm, Susie Orbach got worse than bad

Therapists get a bad press on the whole. Being in the eye of the royal storm, Susie Orbach got worse than bad. She argues that her profession is under attack because it has left the margins of society and become part of everyday life.

I observed that therapists have been seen as the modern replacement-for-the-priest.

"I don't know. I think the relationship is a very powerful one. I don't want to deny that. It can be incredibly enabling and helpful to people but it can also be damaging and hurtful."

Are you afraid of the power it gives you?

"It's more complex than that. I don't think it gives me power over people. I do think I get a very privileged entry into somebody's life and that I need to be terribly aware of the weight of my words, if I can put it that way."

I asked her if her feminism was not an obstacle to professional neutrality as a psychotherapist.

"No, not at all. The most interesting developments in psychoanalysis in the last 20 years have come from people thinking about masculinity and femininity."

As a feminist, she explained, she might be concerned politically with the subordination of women as a whole. As a therapist, only with the individual.

But doesn't it mean you have a hidden agenda?

"It means if I have an agenda it's a bit more visible. There's no such thing as a non-agenda," she added, her voice rising. "Every therapist has one, every single person has a set of ideas."

She was calm again. "Don't you think there's a fear of women and a fear of psychotherapists, and they come joined together? Although I am a psychotherapist I am also a critic of an awful lot of psychotherapy. I find it terribly funny when people put together this demon, you know, the therapist with an agenda," she said, sounding far from amused. "I'm not a propagandist, for Christ's sake."

We were not, of course, discussing Princess Diana. But now I know why Diana went so often to NW3.

Michael Thompson-Noel

Bridge over troubled water

Labour's dynamic leader plans to take the millennium by storm

It is with pleasure - and humility - that I am able to announce that one of my companies, 21stVision, has been appointed to handle image projection and media manipulation on behalf of Tony Blair's fondlest millennial dream - a bridge that will span the Atlantic from London to New York. The cost will be enormous, and so will my fee.

Tony Blair is the young and dynamic leader of Britain's Labour party. In a few months he will win an election, and thus ascend the throne of power.

The appointment of 21stVision to handle the media operation that will underpin every phase of the Tony Blair London-New York Millennium Celebration Bridge was confirmed this week at a tense meeting of Labour's key election committee.

Tony wasn't there. He was somewhere else, remonstrating with Gordon Brown and the Ticktocks. The dour Brown is Labour's chancellor-to-be. The Ticktocks, as they

are known in the innermost circles, are Brown's sluzster advisers. What they had done, or what they had said, I do not know, but it must have been serious.

For several years, one of my other companies, Party Animals, has struggled night and day to turn the Labour party into a... party party. On Labour's behalf I have organised high-profile, media-friendly events (especially parties) so as to create by association a trendy, laundered, votable image for Labour.

It has been difficult. But I believe I have succeeded. The polls tell the story. To borrow a happy phrase

from Australian horse racing, Tony is *home and hosed*.

Which is how I came to be addressing Labour's key election committee. For months I have lectured it on the need to commit Labour to the notion of a *coup de théâtre* with which to mark the millennium. After all, Labour will be in power on New Year's Eve, 1999, not the Conservatives, whose deputy prime minister, Michael Heseltine, has produced a mere *coup d'aile* (a flap of the wings) with which to celebrate the millennium. Heseltine is masterminding a dank-sounding millennium exhibition at Greenwich, downriver from

central London, at a cost of £360m.

The poverty of Heseltine's imagination was something I emphasised as the drabbies on Labour's key election committee grilled me this week.

"What are you proposing we lend our names to?" one of them asked.

"A soaring bridge," I replied. "From London to New York. The structure will dangle from geo-stationary satellites. It won't really be a bridge, of course - more like a vacuum-tube that looks like a bridge. People will sit in giant pellets - we'll find a better word - and be whisked through the vacuum-tube at six

times the speed of sound.

"And the politics are compelling: a 21st century construction linking Britain, on Europe's periphery but by no means peripheral, not under Tony, to the world's only superpower. I firmly believe that the timely loss of confidence and affection America has suffered in the eyes of the world because of the Atlanta Olympics will be only a memory by 1999. America will be cool once more, just like Tony."

"Cool?" demanded a voice.

"£350bn. Britain's half will be financed by its national lottery, which is conjuring a comet's-tail of money apparently out of hyper-

space. America's contribution will be financed by another invisible reduction in defence spending. It has trimmed and snipped. But to my certain knowledge it still has 2,123 missile heads trained on countries that no longer exist."

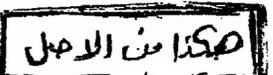
"What does Labour get out of it?" asked someone else.

"Entirely by association. I have turned you into the people's party party. Thanks to the Tony Blair London-New York Millennium Celebration Bridge, people who live in London will be able to party in New York practically every night, and vice versa."

Other searching questions were fired at my head. I started to lose my way, believe it or not. But at that very moment, Tony arrived.

"Mike's cool," said Tony. "And so is his bridge - our bridge, rather. As a counterweight to the plots being hatched by Gordon Brown and the Ticktocks, I suggest we approve this bridge without ado."

And so they did.



سكنا من الاجل

WEEKEND INVESTOR

Peddling culture shock in Oxford

Bids Whitbread goes French

The success of the Café Rouge and Dôme chains of ersatz French cafés and restaurants caught the attention of brewing and leisure group Whitbread. This week, it paid \$138m to acquire their parent company, Pelican, writes Patrick Harverson.

The 170p a share offer lifted Pelican's share price 22 1/2p to 167 1/2p on Tuesday but was regarded by some analysts as high because the price represented a multiple of about 24 times historic earnings.

Elsewhere in the sector, Cowie, a Sunderland-based motor, bus and finance group, acquired Drymona, the holding company of North East Bus for £24.5m.

Directors' dealings

The largest sale this week was at Leeds Group where John Schofield sold 55,000 shares at 210p, writes Vivian MacDonald of The Inside Track, Edinburgh.

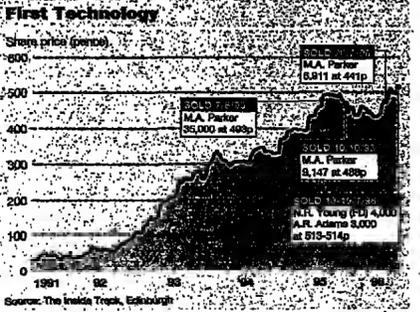


Table of Directors' Dealings. Columns include Company, Sale/Purchase, Shares, Price, and Date.

Table of Purchases. Columns include Company, Type, Shares, Price, and Date.

Companies must notify the Stock Exchange within five working days of a share transaction by a director. This list contains all transactions (listed and unlisted) including exercise of options.

Results due next week

Table of Results due next week. Columns include Company, Sector, Account due, Last year, Dividend, and This year.

Dividends are shown net of tax and are adjusted for any intervening scrip issues. Reports and accounts are not normally available until about six weeks after the board meeting to approve preliminary results.

Table of Last week's preliminary results. Columns include Company, Sector, Year, P/B, Earnings, and Dividends.

Results due next week

Table of Results due next week. Columns include Company, Sector, Account due, Last year, Dividend, and This year.

Aim Fledgling market gets 200th member

SCI Entertainment Group became the 200th company to list on the Alternative Investment Market this week. The developer and publisher of interactive software launched an issue price of 148p, writes Jane Martinson.

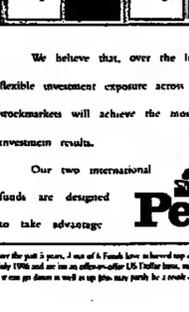
Another interactive information publishing and production house is to seek an AIM listing. The Correllis-Monford group intends to issue 370,000 shares at £1.10, valuing the company at £1.8m.

West 175, which makes television programmes on food and other lifestyle issues for the US, raised its market by placing almost 33 per cent of its issued share capital at 125p.

AND, an electronic publisher, joined the market after placing 3.5m shares at 70p. Valued at £14.5m, the placing raised about £2.14m.

GWB Holdings, an industrial business developer, is coming to the market through a reverse takeover of Select Industries later this summer.

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Lloyd's swings into the final furlong

The run home should be clear but don't bet against the odd bumpy patch, cautions Ralph Atkins

Lloyd's of London Names are used to bumpy rides. As the insurance market's rescue plan entered the final stages of implementation this week, fresh upsets created last minute headaches.

Individual Names are advised not to be distracted for long, though: the serious money is still on the recovery plan succeeding. But important decisions have to be made before the August 28 deadline for accepting the £3.2bn out-of-court settlement offer.

Some 12,500 of them will receive cheques and only 4,400 a bill of more than £100,000. If the offer succeeds, those who reject would, with limited exceptions, not get relief from their liabilities and would be chased for payment of debts.

But they should be aware of what they are signing. The £30-page settlement document, which thumped through letter boxes this week, repays close reading.

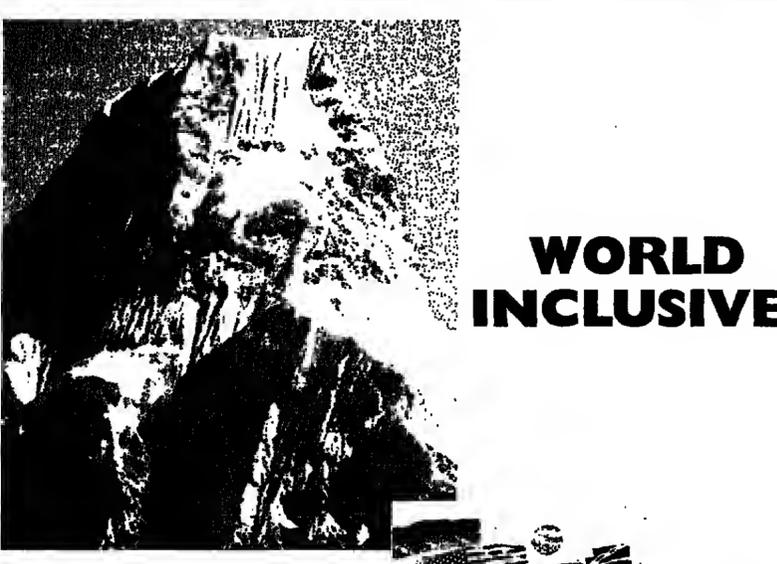
Revenue to ease cash flow problems, but it is still possible that the tax implications of receiving debt credits and payments to settle litigation could be onerous.

Liabilities could possibly have holes. By setting up Equitas, a giant reinsurance company, to take over liabilities for 1992 and before, Lloyd's hopes to draw a line under the affairs of Names who had ceased underwriting by then.

When it comes to paying the bill by the September 30 deadline, there are a number of special packages available. Abbey National is offering remortgages from a dedicated office with terms regarded as attractive by financial advisers.

UK postal strikes are a further hazard. For Names who plan to go on holiday this month, a representative with power of attorney should be appointed. Seeking professional advice is highly recommended.

There is a telephone helpline 0800-454 787 from the UK. Names need to study closely. Lloyd's has won some concessions from the Inland



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Weekend Investor

Wall Street

What a difference a Dow makes

A fortnight ago, it was tumbling. Now it is racing skywards, reports Richard Waters

What do you call it when share prices tumble? Back in October 1987, it was known as a "crash". It certainly felt like one at the time, although subsequent events suggest that the October rout was no more than a brief interruption in a long bull market. Viewed from this distance, it is now often referred to as the 1987 stock market "break". In October 1990, on the other hand, the market hit a bump which came to be referred to as a "correction". So what just happened in July 1996?

It seems hard to believe that, just two weeks ago, the leading US stock market indices were labouring under their biggest percentage falls in nearly six years.

A surging US economy was thought to be pushing up against the limits of non-inflationary growth, putting pressure on the Federal Reserve to raise interest rates. And, after four years of remarkable profits growth, US companies were said to be running out of steam.

That was the theory. By yesterday lunchtime, however, the Dow Jones Industrial Average - made up of 30 leading stocks - was getting back within spitting distance of its all-time high. And the bond market was in better shape than it has been since April, a sure sign that concern about inflation and higher interest rates has subsided again.

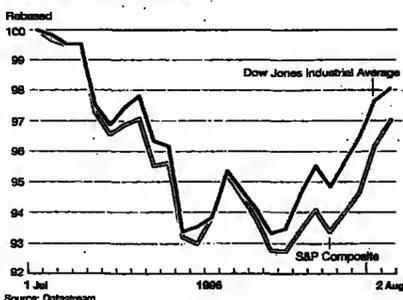
What happened in July hardly deserves to be known as a correction: more of a pothole, capable of delivering a nasty jolt but soon forgotten. Perhaps it should be called the Blip of '96.

The change of mood began to set in as US companies reported their half-year results around the middle of the month. There were few nasty surprises, although the stellar profits growth of the early 1990s has given way in 1996 to steady, unspasmodic advances.

The change of heart really took hold this week, though, as a batch of economic data emerged that seemed to show the US economy was cooling of its own accord and might not need the Fed's interfering hand after all.

That culminated in yesterday's news that "only" 193,000 jobs had been created during July - hardly insignificant, particularly when compared

Making up lost ground



with the difficulties Europe is having creating jobs, but well below the average of 265,000 jobs a month created in the US in the second quarter of this year.

Since the early spring, the monthly jobs report has developed an ability to roll the financial markets, setting off a number of big one-day falls. Yesterday, however, it resulted in a long sigh of relief and a continuation of this week's rally.

While the stock market took the opportunity yesterday to make up more of its lost ground, though, it is worth noting that the recovery has not been uniform. Rather, it reflects a shift in sentiment that was alluded to in this space last week.

Take the three most widely followed measures of the market: the Dow, the Standard & Poor's 500 (a broader measure of big companies), and the Nasdaq Composite (heavily influenced by the fortunes of technology companies).

By the middle of July, the Dow had fallen around 7.5 per cent from its May high. By early yesterday, it was little more than 2 per cent from its peak.

That is a stronger recovery than seen by the S&P 500. This also fell 7.5 per cent and is now just over 3 per cent off its record. The real loser, though, has been the Nasdaq. This tumbled 16.5 per cent from the top and is still more than 10 per cent short of the summit.

There are two messages in this. One is that the fashion for Internet wonder stocks has passed, a factor which accounts for much of the Nasdaq's fall. But this does not

mean that the technology sector as a whole has fallen into a slough of despond. The biggest companies on the Nasdaq are doing very well: Intel, the country's biggest chip maker, hit a new high yesterday morning while Microsoft and Oracle each climbed to within 2 per cent of their peaks (Microsoft has gained \$11, or 10 per cent, in the past 10 days).

The other message is that investors have tended to favour big, well-known companies, particularly those in industries that are believed to enjoy the prospect of continued growth whatever the overall direction of the US economy.

Among the biggest companies in the Dow, Coca-Cola, Philip Morris and Procter & Gamble each was flirting with its all-time high yesterday. These are among a group of stocks which have come to be known as the new "Nifty Fifty" - a name first given 25 years ago to a list of big companies which seemed to have above-average growth prospects.

The Dow's recent gains, though, have been broader than this. Equally notable, for instance, has been a rebound of companies in cyclical industries, such as General Motors and Caterpillar. If the economy is chugging along happily under its own steam, with little need for the Fed to apply the brakes, then perhaps there is life left in such stocks after all.

Dow Jones Ind Average

Monday	5,434.59 - 38.47
Tuesday	5,481.83 + 47.34
Wednesday	5,528.91 + 46.88
Thursday	5,594.75 + 65.84
Friday	

Sometimes you wonder whether it is all worth-while. After seven months of trading, the FT-SE 100 index ended July at 3,703.2, fewer than 14 points above its end-1995 level. Admittedly, the All-Share managed to do a bit better, with a rise of nearly 2 per cent over the same period. But it does seem a lot of activity for very little reward.

Of course, it has made a considerable difference if you have picked the right stocks. Those who bought GKN and Ladbroke earned 28 per cent apiece; holders of British Gas and BTR lost 24 and 25 per cent respectively.

The recent period of low inflation and subdued growth has presented a new set of problems for managements. No longer have they been able to rely on strong demand and rising prices to give their sales figures an annual lift.

One sector that has been hit particularly hard is chemicals. Royal Dutch/Shell this week

blamed weak demand for a slump in its chemicals profits, while Hanson is implementing a worldwide retrenchment at its chemicals subsidiary, SCM.

Another sector to lag is paper, which has endured a swift boom and bust cycle. Rising prices caused customers to build up stocks. When prices fell again, they simply used up their stockpiles, leading to a slump in demand from producers. Arjo Wiggins Appleton this week indicated that its expectations for the present year have been reduced.

The tide may be turning for industry, however. The UK purchasing managers' index, published on Thursday, showed that the manufacturing sector, which has been in the doldrums recently, is starting to revive. Manufacturing companies had expanded following strong growth in 1994 but a slowdown in the UK and continental Europe left them with an excess of stocks, which they have been working off. The chart shows how the

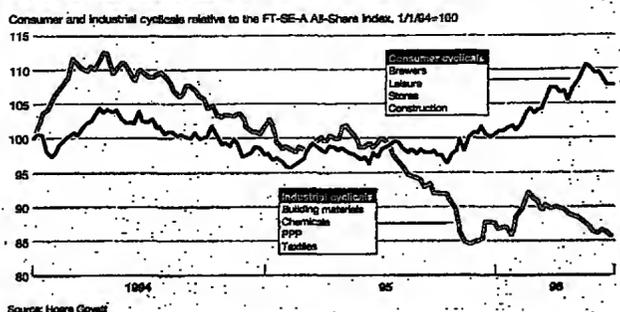
"industrial cyclicals" - an aggregation of the building materials, chemicals, paper and packaging and textiles sectors - outperformed the "consumer cyclicals" (brewing, leisure, stores and construction) during 1994, when the economy was strong. But the gradual slowdown in 1995 and early 1996 pulled down the industrial stocks, while tax and interest rate cuts have finally revived the consumer sector.

Mark Brown, head of economics and strategy at ABN-Amro Hoare Govett, says there is a case for investing in some of the more cyclical industrials as manufacturing activity revives. "The stock overhang in manufacturing is unwinding and export growth is picking up. Manufacturers will join a sustainable economic expansion; the consumer revival is unlikely to get out of hand. In which case, industrial cyclicals can fare relatively well even if the equity market's correction continues. Shares in London spent



A lot of stock market activity for little reward

Time for the tide to turn?



Highlights of the week

	Price	Change	52 week	52 week	
	of share	on week	High	Low	
FT-SE 100 Index	3770.8	+37.3	3887.1	3441.4	Wall St. factors
FT-SE All-Share Index	4288.7	+50.2	4588.6	3828.1	Serious recovery
Allied Domecq	482	+28	598	419	Carlsberg-Tetley deal
BAT Inds	517	+24	596	471	Figures please
Cadbury Schweppes	539	+35	567	488 1/2	Takeover speculation
FirstBus	182	+18	181	126	Upbeat annual meeting
Greene King	618	+35	671	554 1/2	NextWest "add"
Hilldown	179	+14	201	150	Meeting with brokers
Lloyds TSB	364 1/2	+22 1/2	354 1/2	294 1/2	Shortage of stock in Banks
Lucas Inds	236	+25	256	172	Meeting with brokers
PizzaExpress	422	+30	488	185	Bid hopes
Railtrack	228 1/2	+13	234	205	Income fund buying
Stagecoach	521	+57	558	244	Full takeover
Thorn EMI	377 1/2	+89	1873	1388	bid speculation post demerger
Tom Cobligh	208	-14	255	173	Bid hopes fade

much of the week following Wall Street, where a series of economic statistics offered clues to whether the Federal Reserve's open market committee would raise interest rates at its next meeting on August 20.

For the most part, the statistics appeared to be benign, particularly the National Association of Purchasing Management report on Thursday which prompted the Dow Jones Industrial Average to climb by 85 points. The series culminated in yesterday's non-farm payroll report for July which confirmed the picture of a growing, but not overheating, economy.

All this helped the FT-SE 100 index rally in the last three trading sessions of the week. It closed yesterday at 3,770.6 for a five-day rise of 2.6 per cent. The Mid-250 index failed to keep pace, managing a 1.2 per cent gain.

Until the next Fed meeting is out of the way, it seems likely that the US market will continue to dominate the mood in London. Last week's meeting between Kenneth Clarke, the chancellor, and Eddie George, governor of the Bank of England, appeared to leave interest rates on hold, with politicians on holiday and many traders pursuing the sun. It is hard to see what domestic news will arrive to shift Footsie out of its 3,650-3,850 trading range.

Caution appears to be the mood for the moment, with traders finding it hard to persuade investors to buy or sell. The value of customer business on Monday, admittedly the day of a London Underground railway strike, slipped

to just above £1bn. Institutions seem to have plenty of cash, and their liquidity will have been boosted this week by share buy-back programmes from National Westminster Bank and Thames Water. But Merrill Lynch polls of investment institutions have shown that they are reducing their UK equity holdings.

Some of this column's favourite technical indicators have hardly been encouraging of late. The number of shares making new 12-month lows is regularly outstripping those recording new highs; the ratio on Tuesday and Wednesday, for example, was two-to-one.

Even after this week's rally, declining stocks had still outpaced advancing ones over the 10 trading days to August 1.

July's subdued close means that the Coppock indicator, a measure of medium-term market sentiment, is continuing to decline, indicating that the UK may have moved into a new phase. Coppock gave a buy signal in April 1985 when Footsie was at 3,218.7, and started to turn down at the end of May this year when the leading index was 3,747.8.

It is easy to get too gloomy, of course. The time to buy is often when sentiment is most negative and cash holdings are at their highest. The economy is still expanding, earnings are growing, inflation is subdued, and UK interest rates are unlikely to increase this side of the general election.

Investors may have little reason to fear an apocalypse but, so far this year, they have few reasons to celebrate, either.

Barry Riley

Mutual funds ride a rollercoaster

In the US, they're all go. In Japan, they're nearly all gone



The contrasts between bull and bear markets are always fascinating. This is especially so when they are proceeding at the same time, as has been true of the divergent price trends in the US and Japanese equity markets since 1990.

Much has been written about the amazing expansion of US mutual funds, the open-ended retail investment pools which are the counterpart to unit trusts in the UK. We hear less about the similarly astonishing contraction of the Japanese equivalents, called investment trusts. These have fallen in total value by an amazing 91 per cent since the start of 1990 when Tokyo peaked.

I am referring here only to the funds which invest in equities. Those similar Japanese funds which invest in fixed interest bonds or money market instruments have held up a great deal better.

The mirror image of this in the US is that the bond and money market mutual funds have done rather badly. In the UK, for historical reasons, about 97 per cent of the unit trust money is in equity funds, anyway, although the introduction of corporate bond Peps (personal equity plans) has given a recent boost to the tiny fixed income sector.

At the beginning of the decade, equity funds in Japan

were worth ¥37,000bn, or about \$350bn in terms of the yen-dollar exchange rate that applied at the time. That set the Japanese open-ended equity funds sector on a par with US mutual funds, then valued at \$349bn. For comparison, British unit trusts were worth \$56bn (or \$60bn) in aggregate.

Now look at today's numbers. The Japanese funds have collapsed in size to ¥3,260bn, as at the end of June. Although they are flattered slightly by the appreciation of the yen against the dollar, they are now worth just 2 per cent of US equity mutual funds, which had a value of \$1,632bn at the end of June, a six-fold expansion. UK unit trusts, meanwhile, have more than doubled in size, to around £125bn (\$200bn).

These dramatically divergent trends can clearly be attributed to the simultaneous bull and bear markets. In Japan, the average annual total return on equities was 21.5 per cent in the 1980s (almost all in capital gains, because dividend income was negligible). Investment salesmen found a ready customer in Mrs Watanabe, the legendary Tokyo suburban housewife and guardian of the family wealth. But the return has been about minus 8 per cent so far in the 1990s. The experience of investment

trust-holders has been significantly worse still because these funds bear heavy costs. If investors were smart and put their money in foreign, rather than domestic, equity funds, they will have done much better. Nevertheless, they will have lost a large part of their profits because of the strength of the yen.

to the US, of course, the market has been roaring ahead since late 1990. Boosted by an extraordinary gain of about 35 per cent in 1995, the annual average return during the past 5 1/2 years on US equities has been about 21 per cent. In the UK, it has been 16 per cent or so.

During the first half of 1996, flows into US equity mutual funds broke all previous records by a huge margin: they topped \$25bn net in a month several times and reached almost \$140bn for the six months as a whole. But the figure dipped in June to about \$15bn, and the investment industry in the US

has been mulling over estimates that one or two weeks of July may have seen net redemptions.

In Japan, the Tokyo market began to recover from mid-1995. It bounced by about 42 per cent in terms of yen in the year to the end of June. But Japanese retail investors appeared to see this recovery only as an opportunity to get out. These days Mrs Watanabe prefers the Post Office. Despite the sharp recovery in the underlying market, the value of unit-trust equity investment trusts tumbled by a further 30 per cent in the year to June.

Having rallied to a respectable level, the Tokyo market has been stalled since March and is now threatened by a huge volume of supply. The Japanese government, for instance, is preparing to sell J.R. West, a railway company. The Industrial Bank of Japan has announced a ¥239bn (\$2.1bn) rights issue, which will be only the first of many opportunities to pour new capital into the bottomless black hole that is the Japanese financial system.

The boom and bust of the Tokyo market has highlighted the risks of equity investment which is not underpinned by income. When the capital gains disappear, nothing remains to hang around for; that is why Japan's equity funds industry has shrunk in size by more than 90 per cent although share prices have

declined by only about a third. I would hate to suggest to my friends in the UK unit trust industry that they might ever suffer a similar fate by shrinking from £130bn to £12bn. In fact, the unit trust boom has been fairly moderate in scale rather than a dangerous bubble. And at least many unit trusts can still hope to offer an important element of equity income, although the level is lower than it usually has been in the past and above-average dividend income has become associated recently with high capital risks.

The US mutual fund industry is rather more vulnerable here. Income has become negligible and nearly everybody has been chasing capital gains - especially in the riskiest sector, called aggressive growth. A complicating factor is that US mutual funds have also gained from a long-term shift of personal investment assets into tax-sheltered retirement savings plans. These provide stability. Even so, investors will lose faith unless the capital gains keep coming. It will not require a crash, just a couple of dull years. But Wall Street this week was not concerned with Tokyo - it was looking at an apparent slowdown in US economic growth. And if that prospect can send shares higher, the bull market may not be quite dead.

Funds in Japan have fallen by an amazing 91 per cent since 1990 when the market peaked

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01 712176

Insurances, Money Markets and Other

FT Cityline Unit Trust Prices are available over the telephone. Call the FT Cityline Help Desk on (444 171) 873 4378 for more details.

FT MANAGED FUNDS SERVICE

Table listing various insurance and money market funds, including Amersbach Generalist, Legal & General, and others, with columns for fund name, price, and change.

Main table listing FT Managed Funds Service offerings, categorized by fund type (e.g., Equity, Bond, Money Market) and provider (e.g., Pearl Assurance, Royal Life Assurance, Scottish Provident).

Table titled 'Money Market Trust Funds' listing various trust funds and their performance metrics.

Table titled 'Money Market Bank Accounts' listing different bank account options and their features.

Table titled 'Money Market Investment Funds' listing investment funds and their details.

Table titled 'Money Market Other Funds' listing other types of money market funds.

Table titled 'Money Market Special Funds' listing special money market funds.

Table titled 'Money Market Additional Funds' listing additional money market funds.

Table titled 'Money Market Final Funds' listing final money market funds.

Table titled 'Money Market Summary' providing a summary of the funds listed.

Table titled 'Money Market Details' providing detailed information about the funds.

Table titled 'Money Market Performance' showing performance data for the funds.

Table titled 'Money Market Risk' showing risk levels for the funds.

Notes and disclaimers regarding the fund information, including a warning about the risks of investment.

Handwritten text in Arabic script: 'سبحة من الالهي'

Offshore Funds and Insurances

FT Cityline Unit Trust Prices are available over the telephone. Call the FT Cityline Help Desk on (+44 171) 678 4378 for more details.

FT MANAGED FUNDS SERVICE

Main table containing various fund categories: LUXEMBOURG (SIB RECOGNISED), FT MANAGED FUNDS SERVICE, and Offshore Funds and Insurances. Includes columns for Fund Name, Class, and Price.

Handwritten Arabic text: صكوك الالمان

سوق المال

FT MANAGED FUNDS SERVICE

FT Cyteline Unit Trust Prices are available over the telephone. Call the FT Cyteline Help Desk on (444 171) 873 4378 for more details.

Table of financial data for various fund categories including FT Cyteline Unit Trusts, FT Managed Funds, and other investment vehicles. Columns include fund names, prices, and performance metrics.

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Outstanding performance. At bank, we know the impact of getting ahead and you can't get ahead much further than in the Saab 900 Aero. Includes SAAB logo and contact number 0800 626 556.

OTHER OFFSHORE FUNDS

Table listing various offshore funds with their respective prices and details.

MANAGED FUNDS NOTES. This section provides detailed information and disclaimers regarding the managed funds listed in the adjacent tables.

WORLD STOCK MARKETS

AMERICA

Jobs data help Dow to extend gains

US share prices surged yesterday morning for the fourth day in a row, obliterating a large part of their July losses...

report for July, showing a slowdown in new job creation to 193,000, from an average of 285,000 in the previous three months...

With concerns about higher interest rates easing, bank stocks were among the biggest gainers during the morning...

wether technology companies. Microsoft jumped 3% to \$239.40 and Intel rose 1% to \$78.50, a new record.

Wyoming approved a Canadian pipeline jobs waiver, establishing from Alberta to Wyoming.

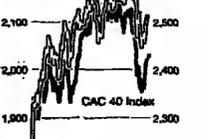
Paris investors adopt shareholder value line

Andrew Jack talks about the rhetoric, and reality

Investors in France should have been heartened over the last few months by the use of a phrase which has become increasingly widespread among the country's business elite.

18 months before any real pension reform takes place in France - in spite of the latest in a series of pledges by ministers that there will be new legislation this autumn...

government's proposed social security reforms. Since then, the situation in France has deteriorated although, he stresses, so has performance in most other continental stock markets.



Source: FT Index

Domestic excitement as Zurich rises 3.2%

Domestic banks and funds made a determined effort to demonstrate that ZURICH's new electronic trading system was in full working order, and they drove the market 3.2 per cent higher in the process.

noted that the day's advance also contained an element of catching up with Thursday's strong performance elsewhere in Europe, when Zurich took a National Day holiday.

far better results than some chemical groups. MILAN finished a volatile day stronger, welcoming the more benign interest rate outlook...

and US favourites at the end. Hoechst led the big three chemicals, all due to report on progress within the next three weeks...

john SKRILL, or 4.1 per cent to SKR281. BUDAPST buyers were in out in force following Thursday's good results from the drug group, Richter, the 4.5 per cent early closer...

Table with 2 columns: Country, % Change. Includes Amsterdam (+5.1), Stockholm (+3.7), Paris (+3.1), Helsinki (+2.7), Milan (+2.4), Frankfurt (+2.3), Zurich (+1.9).

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ASIA PACIFIC

Hong Kong jumps 1.6% as Nikkei eases

A 1.6 per cent rise in HONG KONG followed gains in US bonds and stocks, and preceded next week's bank earnings reports.

tors were sellers of technology issues although they bought large capital steels and shipbuilders, said traders.

and caused heavy damages, brought the day's largest gains among cement, steel and construction companies.

SEIOU into profit-taking after the rally on Wednesday's announcement of a government inspired savings scheme to bolster the market.

BOMBAY was pulled lower by hectic position adjustments on the final day of the weekly account and the BSE-30 index fell 28.97 to 9,511.63, with the mood further soured by a proposal...

TOKYO

Traders had second thoughts about Thursday's recovery and the Nikkei average lost marginal ground in thin turnover.

Most leading high-technology stocks closed higher in spite of investors' selling.

TAIPEI was higher during the first day's trading since Taiwan was battered by typhoon Herb, and the weighted index rose 54.09 to 6160.99.

SEIOU into profit-taking after the rally on Wednesday's announcement of a government inspired savings scheme to bolster the market.

BOMBAY was pulled lower by hectic position adjustments on the final day of the weekly account and the BSE-30 index fell 28.97 to 9,511.63, with the mood further soured by a proposal...

FT/S&P ACTUARIES WORLD INDICES

Table with columns: Country, US Dollar, % Change, etc. Lists various world indices and their performance.

THE WEEK'S CHANGES

Table with columns: Country, % Change. Lists weekly percentage changes for various countries.

THE WEEK'S CHANGES

Table with columns: Country, % Change. Lists weekly percentage changes for various countries.

LONDON EQUITIES

LIFE EQUITY OPTIONS

Table with columns: Option, Call, Put, etc. Lists life equity options and their prices.

RISES AND FALLS

Table with columns: Fund, Rise, Fall, etc. Lists rises and falls for various funds.

TRADITIONAL OPTIONS

Table with columns: Option, Call, Put, etc. Lists traditional options and their prices.

LONDON RECENT ISSUES: EQUITIES

Table with columns: Issue, Price, etc. Lists recent equity issues in London.

RIGHTS OFFERS

Table with columns: Issue, Price, etc. Lists rights offers and their prices.

LONDON STOCK EXCHANGE

MARKET REPORT

US rate optimism fuels further Footsie rally

By Philip Coggan, Markets Editor
The FT-SE 100 responded in kind. Having been just 1.5 points ahead at 1pm, Footsie finished the day 38.2 up at 3,770.6.

The strong correlation between London and New York this week raises the question of whether the UK market can break free of its transatlantic cousin.

He believes that, while the interest rate link may still drag down London when Wall Street falls, the outlook for profit margins is better in the UK than the US.

out a round of takeover speculation and yesterday's favoured candidate was Cadbury Schweppes.

After some disappointing recent trading sessions, volume yesterday was a more healthy 748.9m shares by the 6pm count, of which 65 per cent was in non-FT-SE 100 stocks.

FT-SE-A All-Share Index

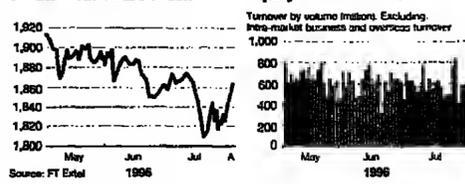


Table with 2 columns: Index Name and Value. Includes FT-SE Mid 250, FT-SE-A 350, FT-SE-A All-Share, etc.

TRADING VOLUME IN MAJOR STOCKS

Table listing trading volume for various stocks including Astra, BHP, British Airways, etc.

EQUITY FUTURES AND OPTIONS TRADING

Table showing stock index futures and options trading data for FT-SE 100, FT-SE Mid 250, and FT-SE 350.

Cadbury bid talk continues

Cadbury Schweppes climbed a further 20 to 639p, on a trade of 9.7m, its second heaviest volume this year.

Analysts were sceptical of the takeover speculation. One analyst said that Cadbury would be a lot to swallow, costing in excess of 880m to acquire.

CHIEF PRICE CHANGES YESTERDAY

Table listing price changes for various companies like London (Pence), Astra, BHP, etc.

NEW 52 WEEK HIGHS AND LOWS

Table listing new 52 week highs and lows for various companies.

FT-SE Actuaries Shares Indices

Table showing FT-SE Actuaries Shares Indices for various sectors like 10 Insurance, 20 Banking, etc.

The UK Series

Table showing UK Series indices for various sectors like 10 Industrial, 20 Retail, etc.

BT concerns

A combination of competition concerns, plus regulatory worries, gnawed away at telecoms shares BT and the shares slipped 4 to 364p.

Building materials leader

Wolseley closed at the bottom of the Footsie rankings. Brokers said there was a bit of a stock overhang with sellers shaken out by interest rate concerns.

Hourly movements

Table showing hourly movements for FT-SE 100, FT-SE Mid 250, etc.

FT-SE Actuaries 350 Industry baskets

Table showing FT-SE Actuaries 350 Industry baskets for various sectors.

THE ALL ENGLAND LAWN TENNIS GROUND plc ("Company")

Notice is hereby given that a Petition was presented to the High Court of Justice for the sanction of a Scheme of Arrangement...

HELP FILL THE CARE GAP IN BRITAIN

Advertisement for Macmillan Appeal, featuring a logo and text about supporting cancer relief.

LEGAL NOTICES

Legal notices regarding court proceedings and company matters.

LONDON SHARE SERVICE

BV TRUSTS SPLIT CAPITAL - Cont.

Table listing BV Trusts Split Capital with columns for Name, Price, and % Change.

LEISURE & HOTELS - Cont.

Table listing Leisure & Hotels companies with columns for Name, Price, and % Change.

OTHER FINANCIAL - Cont.

Table listing Other Financial companies with columns for Name, Price, and % Change.

PROPERTY - Cont.

Table listing Property companies with columns for Name, Price, and % Change.

SUPPORT SERVICES - Cont.

Table listing Support Services companies with columns for Name, Price, and % Change.

AIM - Cont.

Table listing AIM companies with columns for Name, Price, and % Change.

OTHER INVESTMENT TRUSTS

Table listing Other Investment Trusts with columns for Name, Price, and % Change.

OIL EXPLORATION & PRODUCTION

Table listing Oil Exploration & Production companies with columns for Name, Price, and % Change.

INVESTMENT COMPANIES

Table listing Investment Companies with columns for Name, Price, and % Change.

OIL INTEGRATED

Table listing Oil Integrated companies with columns for Name, Price, and % Change.

OTHER FINANCIAL

Table listing Other Financial companies with columns for Name, Price, and % Change.

LEISURE & HOTELS

Table listing Leisure & Hotels companies with columns for Name, Price, and % Change.

PAPER, PACKAGING & PRINTING

Table listing Paper, Packaging & Printing companies with columns for Name, Price, and % Change.

PHARMACEUTICALS

Table listing Pharmaceuticals companies with columns for Name, Price, and % Change.

PROPERTY

Table listing Property companies with columns for Name, Price, and % Change.

RETAILERS, FOOD

Table listing Retailers, Food companies with columns for Name, Price, and % Change.

RETAILERS, GENERAL

Table listing Retailers, General companies with columns for Name, Price, and % Change.

TELECOMMUNICATIONS

Table listing Telecommunications companies with columns for Name, Price, and % Change.

TEXTILES & APPAREL

Table listing Textiles & Apparel companies with columns for Name, Price, and % Change.

TOBACCO

Table listing Tobacco companies with columns for Name, Price, and % Change.

TRANSPORT

Table listing Transport companies with columns for Name, Price, and % Change.

WATER

Table listing Water companies with columns for Name, Price, and % Change.

PROPERTY - Cont.

Table listing Property companies with columns for Name, Price, and % Change.

RETAILERS, GENERAL - Cont.

Table listing Retailers, General companies with columns for Name, Price, and % Change.

SUPPORT SERVICES

Table listing Support Services companies with columns for Name, Price, and % Change.

AIM

Table listing AIM companies with columns for Name, Price, and % Change.

Advertisement for Sharelink with phone number 0121 200 2242 and logo.

AMERICANS

Table listing American companies with columns for Name, Price, and % Change.

CANADIANS

Table listing Canadian companies with columns for Name, Price, and % Change.

SOUTH AFRICANS

Table listing South African companies with columns for Name, Price, and % Change.

GUIDE TO LONDON SHARE SERVICE

Guide to London Share Service explaining symbols, abbreviations, and service details.

BLUE BLOOD FOR SALE

FINANCIAL TIMES

Weekend August 3/August 4 1996

LEGAL DEFINITIONS

Key industry... EXPERT CORPORATE LAWYERS

UK farmers fear 50,000 more animals could be killed Germans protest at plan to ease British beef ban

By Deborah Hargreaves and John Kampfer in London, Neil Buckley in Brussels and Judy Dempsey in Bonn

German farmers took to the streets in several German cities yesterday to protest against the European Union's plan to ease the worldwide ban on British beef exports.

Mr Franz Fischler, the EU agriculture commissioner, for the UK to reconsider its slaughter policy sparked fresh anger against the European Union among many British Euro-sceptic MPs yesterday.

slaughter programme" in a letter to Mr Hogg. Mr Fischler warned Mr Hogg that the new evidence about maternal transmission threw into question the framework for lifting the four-month-old global ban on British beef exports.

Frankfurt bank hits at UK hopes for Emu gains

By Andrew Fisher in Frankfurt and Gillian Tett in London

London would gain an unfair advantage over Frankfurt and Paris if British-based banks won equal access to the euro payments system after the UK had chosen to opt out of European monetary union, a leading German bank economist said yesterday.

Seoul offers easing of finance markets in bid to join OECD

By John Burton in Seoul

South Korea yesterday offered to liberalise its tightly-regulated financial market in a bid to join the Organisation for Economic Co-operation and Development this year.

and overseas interest rates is narrowed to 2 percentage points from its current 6-7 percentage points.

of Korea's 70 largest companies, capitalised at \$2.5bn or more.

THE LEX COLUMN Job joys

Life off the US farm is looking calmer than anyone could have believed a month ago. Indeed, the statistics released from the US yesterday suggest an enticing cocktail of economic influences: robust growth, and subdued inflationary pressure, as demonstrated by declining average hourly wages.



has slipped as the big Scandinavians have cranked up investment. This market faces a 35 per cent increase in capacity over the next few years and Arjo should consider getting out. It also faces problems in carbonless paper.

Lloyd's of London

How difficult should it be for Lloyd's of London underwriting syndicates to merge? Yesterday one managing agent, Murray Lawrence Group, pushed through a plan to combine its syndicates.

had news on the chin - at SKR180.5 it is fractionally above April's offer price. Investors seem prepared to look beyond a rather flat 1996 for the European truck market to hopes of renewed growth in 1997.

Arjo Wiggins Appleton

Followers of Arjo Wiggins Appleton, the Anglo-French paper group, must be getting used to pulping their profit forecasts. Yesterday's warning, the third in under a year, blamed weak demand and yet another fall in prices.

Scania

Scania's flotation looks impeccably timed. When Sweden's Wallenberg empire sold a 55 per cent stake in the heavy truckmaker in April it was on the back of a 10 per cent rise in first-quarter sales.

US and Japan agree semiconductor deal

Continued from Page 1

market. It claimed government intervention defeated the market mechanism and ran counter to World Trade Organisation rules.

the US-Japan semiconductor arrangement which expired on Wednesday. EU officials say European companies have been disadvantaged by the bilateral pact, which encouraged US and Japanese joint projects.

arrangement" for an industry which is increasingly globalised.

Europe today

There will be thunder storms along a front from southern France to Russia. Showers may be heavy over the Alps with gusty winds and probably hail. It will be sunny south of the front although scattered cloud will occur over northern Greece and the southern Balkans.

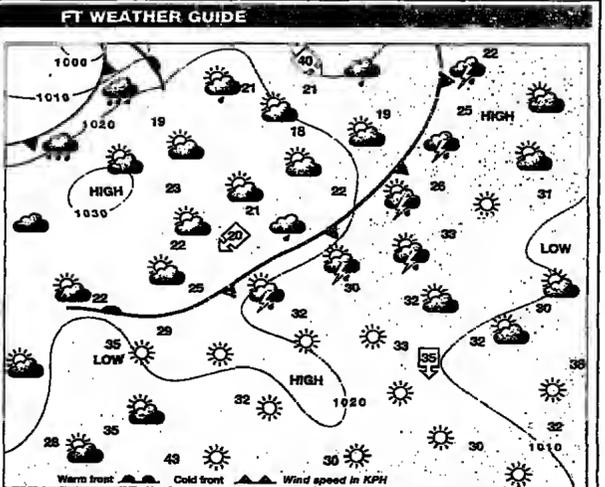
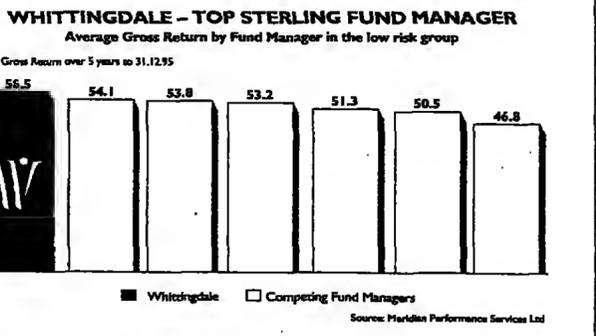


Table with 3 columns: Location, Maximum, Minimum, and weather conditions for various European cities.

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Lufthansa logo and text: No global airline has a younger fleet.

CONSISTENT OUTPERFORMANCE



WHITTINGDALE MANAGING £1.5bn INSURANCE FUNDS

Whittingdale has been ranked the top sterling fund manager over 5 years for both low and medium risk funds - the two categories measured by Meridian's independent Investment Performance Survey.

Whittingdale logo and text: GILT-EDGED EXPERTS. Please remember past performance is not a guide to future returns.

Handwritten Arabic text: صديقا من الاعمال

Vertical text on the right edge of the page, including 'Start the week with...' and 'USAir in court move to break links with BA'.